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Date: 16 October 2012

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## **GROWTH AND PROSPERITY OVERVIEW AND SCRUTINY PANEL**

### **TASK AND FINISH GROUP – SUBSIDISED BUS ROUTES AND THROUGH TICKETING**

**Date:** Wednesday 24 October, Tuesday 6 November, Tuesday 20 November and Monday 3  
December 2012

**Time:** 4 pm, 4 pm, 4 pm and 11:30 am respectively

**Venue:** Council House, Next to the Civic Centre

**Members:**

Councillor Nicholson, Chair

Councillor Mrs Nelder, Vice Chair

Councillors Michael Leaves and Wheeler.

Members are invited to attend the above meeting to consider the items of business overleaf.

Members and officers are requested to sign the attendance list at the meeting.

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# **GROWTH AND PROSPERITY OVERVIEW AND SCRUTINY PANEL**

## **AGENDA**

### **PART I – PUBLIC MEETING**

#### **1. APOLOGIES**

To receive apologies for non-attendance submitted by task and finish group members.

#### **2. DECLARATIONS OF INTEREST**

Members will be asked to make any declarations of interest in respect of items on this agenda.

#### **3. CHAIR'S URGENT BUSINESS**

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

#### **4. SUBSIDISED BUS ROUTES AND THROUGH TICKETING INTRODUCTION (Pages 1 - 2)**

The Head of Sustainable Transport will provide an introduction to the Task and Finish Group and will refer to the request for scrutiny work programme item and the reports submitted.

4a. Project Initiation Document (Pages 3 - 4)

4b. Feedback from the Transport Summit - verbal presentation

4c. Public Transport Operators in Plymouth (Pages 5 - 6)

4d. Subsidised bus routes (Pages 7 - 12)

4e. Through Ticketing (Pages 13 - 16)

4f. Bus Partnerships, Schemes and Contracts Overview (Pages 17 - 18)

4g. Map - Plymouth's bus services (Pages 19 - 20)

4h. Map - Subsidised bus services (Pages 21 - 22)

4i. Witnesses

## **5. SUMMARY AND REVIEW**

Councillors will have an opportunity to review the findings from the task and finish group process.

## **6. EXEMPT BUSINESS**

To consider passing a resolution under Section 100A (4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in paragraph(s) of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

## **PART II (PRIVATE MEETING)**

### **AGENDA**

#### **MEMBERS OF THE PUBLIC TO NOTE**

that under the law, the Panel is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

NIL.

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**PLYMOUTH CITY COUNCIL**

<b>Subject:</b>	Subsidised Bus Services and Through Ticketing
<b>Committee:</b>	Growth and Prosperity Overview and Scrutiny Panel – Task and Finish Group
<b>Date:</b>	24 October 2012
<b>Cabinet Member:</b>	Councillor Coker
<b>CMT Member:</b>	Anthony Payne (Director for Place)
<b>Author:</b>	Andy Sharp (Public Transport Controller)
<b>Contact:</b>	Tel: 01752 304354 e-mail: andy.sharp@plymouth.gov.uk
<b>Ref:</b>	Your ref.
<b>Key Decision:</b>	No
<b>Part:</b>	I

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**Purpose of the report:**

A collection of background papers related to subsidised bus services and through ticketing to enable discussion and target areas for intervention at the first meeting.

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**Corporate Plan 2012-2015:**

**Deliver growth** – effective public transport provision is an enabler for growth, and improved ticketing may open up new opportunities for employment.

**Reduce inequalities** – the Task and Finish group will assess how the existing methodology behind subsidising bus services meets this objective.

**Provide value for communities** – the group will assess whether the Council and communities are receiving best value for money through existing provision of subsidised services.

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**Background papers:**

- Public Transport Operators in Plymouth – A guide
- Subsidised Services
- Through Ticketing
- Bus Partnerships, Schemes and Contracts Overview
- Map showing all bus services
- Map showing all subsidised bus services

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# REQUEST FOR SCRUTINY WORK PROGRAMME ITEM



**PLYMOUTH**  
CITY COUNCIL

	<b>Title of Work Programme Item</b>	<b>Review of Subsidised Bus Routes and Through Ticketing</b>
<b>2</b>	<b>Responsible Director</b>	Anthony Payne, Director for Place
<b>3</b>	<b>Responsible Officer</b>	Adrian Trim, Head of Sustainable Transport
	<b>Tel No.</b>	(01752) 307729
<b>4</b>	<b>Relevant Cabinet Member(s)</b>	Councillor Coker, Cabinet Member for Transport
<b>5</b>	<b>Objectives</b>	Review Subsidised Policy and criteria for intervention Review of Through Ticketing progress
<b>6</b>	<b>Who will benefit?</b>	The Council will benefit with regard to value for money, The community with regard to the identification of service gaps and measures to address / provide access to jobs health leisure and improve quality of life.
<b>7</b>	<b>Criteria for Choosing Topics (see table at end of document)</b>	<ul style="list-style-type: none"> <li>• Issue consistently identified by Members as key through constituency activity</li> <li>• Public interest issue covered in local media</li> </ul>
<b>8</b>	<b>What will happen if we don't do this review?</b>	Lack of awareness of accessibility related issues and oversight of VFM and service provision. Constituent feedback to Members following revised services.
<b>9</b>	<b>What are we going to do?</b>	<ul style="list-style-type: none"> <li>• Review of existing provision</li> <li>• Review of changed commercial network</li> <li>• Identify gaps and assess provision against agreed criteria / budget</li> <li>• Review opportunities for through ticketing with Operators and continue with options for exploiting Smartcard technology</li> </ul>
<b>10</b>	<b>How are we going to do it? (witnesses, site visits, background information etc.)</b>	Analysis of Operator Data Analysis of geographical service provision Assess opportunities and options for improved ticketing

<b>11</b>	<b>What we won't do.</b>	N/A
<b>12</b>	<b>Timetable &amp; Key Dates</b>	<ul style="list-style-type: none"> <li>○ Review of proposed commercial network changes and comparison of existing subsidised provision - subject to Plymouth Citybus network overhaul but expected to be available by mid August. Therefore review will take 2 weeks from Citybus announcement.</li> <li>○ Full review of subsidised bus routes to commence in October 2012.</li> <li>○ Work with bus operators to secure a citywide multi operator ticket by September 2013. With future expansion to ferries once technology is available.</li> <li>○ Roll out of Electronic Money card technology by late 2012.</li> </ul>
<b>13</b>	<b>Links to other projects or initiatives / plans</b>	Growth and economic improvement agenda. 2011/12-2012/13 Regional Smart Ticketing Project
<b>14</b>	<b>Relevant Overview and Scrutiny Panel / Membership if Task and Finish Group (to be decided by OSP before submission to OMB)</b>	Growth and Prosperity Overview and Scrutiny Panel Task and Finish Group.  Members – Councillors Michael Leaves, Mrs Nelder, Nicholson, and Wheeler.
<b>15</b>	<b>Where will the report go? Who will make the final decision</b>	Scheduled meeting dates of Panel – Dates to be confirmed Overview and Scrutiny Management Board – Dates to be confirmed Cabinet /Council – Dates to be confirmed
<b>16</b>	<b>Resources (staffing, research, experts, sites visits and so on)</b>	Democratic Support Public Transport Team Operating Companies
<b>17</b>	<b>Is this part of a statutory responsibility on the panel?</b>	No
<b>18</b>	<b>Should any other panel be involved in this review? If so who and why?</b>	No
<b>19</b>	<b>Will the task and finish group benefit from co-opting any person(s) onto the panel.</b>	Representatives of Operating Companies
<b>20</b>	<b>How does this link to corporate priorities?</b>	Delivering Growth, Raising Aspiration, Reducing inequalities, Value for Communities.



# BUS OPERATORS IN PLYMOUTH

## Overview



### Executive Summary

Plymouth is served by a number of bus operators. The two major operators are Plymouth Citybus Ltd and First Devon and Cornwall Ltd, who between them provide the majority of commercial local bus services in the city. Target Travel provides the majority of subsidised bus services.

### Plymouth Citybus

Plymouth Citybus is the largest operator in the city and can trace its roots back to the early tramway companies established in the city in the latter decades of the 19<sup>th</sup> Century. Since late 2009 Plymouth Citybus has been part of the Go – Ahead Group based in Newcastle Upon Tyne. Citybus operates 35 local bus routes in Plymouth with a few going outside the city into Saltash and the South Hams, and in addition runs many journeys for local schools and colleges from within the city as well as from East Cornwall and West Devon. The current bus fleet is approximately 175

### First Devon and Cornwall

First Devon and Cornwall has been established in Plymouth since the 1920s and from 1995 has been part of First Group based in Aberdeen. First Devon and Cornwall operates 19 local bus routes in the city many of which run beyond the city boundary to East Cornwall, West Devon and South Devon. Since 2006 First has operated the city's Park and Ride services and these have been provided commercially since late 2010. The company also runs local services from depots in Cornwall. The current fleet based in Plymouth is 111.

### Target Travel

Target Travel was established in 1997 and operates 11 local bus routes, most of which are operated with financial assistance from Plymouth City Council. Target operates the Park and Ride service between The George Junction and Derriford Hospital. The current bus fleet is 20.

### Western Greyhound

Western Greyhound Ltd are based at Summercourt near Newquay and the current bus fleet numbers 109. Whilst the vast majority of its routes are within Cornwall Western Greyhound runs 3 services into the city.

### Stagecoach Devon

Stagecoach Devon, based in Exeter, is part of the Stagecoach Group based in Perth operates one service into, the X38, into Plymouth from Exeter. Stagecoach is the main operator in East Devon, North Devon and Torbay.

**Tally Ho!**

Tally Ho! Coaches based in Kingsbridge operates service 94 from Noss Mayo and Newton Ferrers into Plymouth.

**St Budeaux Taxibus**

Besides the conventional operators detailed above Plymouth City Council has also been a pioneer in the promotion of taxibus services. These refer to local services being operated with Hackney Carriages. The City Council currently supports the St Budeaux Taxibus. This service runs 5 days a week within the St.Budeaux & Kings Tamerton areas.

# SUBSIDISED BUS SERVICES

## Overview



### Executive Summary

This report sets out an overview of the Council's activities around subsidised bus services, providing information on which services are supported, why they are supported, contract management, usage data and a review of the existing services. The Council supports a range of bus services across the City either in their entirety or partially supporting specific additions to existing commercial services. The Public Transport Team fulfil this function utilising an annual budget of £382k securing services through a combination of full OJEU tender processes and competitive quotes based on the nature of the service procured.

### Legal Background

The Council can provide subsidy for the operation of local passenger transport under the legislation set out in the 1985 Transport Act. The two statutory duties detailed in section 63 of the Act for Local Authorities are:

- To secure the provision of such public passenger transport services as the council considers appropriate to meet any public transport requirements which would not otherwise be met.
- In exercising functions relating to public passenger transport services, to have regard to the needs of elderly or disabled persons

### Subsidising a bus service

There are a range of different circumstances whereby a bus service is subsidised. The three main areas are:

- At the end of the existing contract period or following a regular review.
- Intervention following changes to either subsidised or commercial routes.
- Utilising section 106 funds as they become available

Bus services subsidised as part of Section 106 agreements are outside the scope of this report although wherever possible they are incorporated within the general framework for delivery to maximise value for money.

### Regular review

- Patronage data is reviewed on a quarterly basis to track the effectiveness of each individual service and the cost per passenger.
- All services are reviewed regularly through the deployment of on board staff that collect data on the actual journeys passengers are making; this is necessary as the monthly patronage data received from Bus Operators only gives overall trip data not specific journey data. These reviews enable the team to prioritise the sections of existing routes where the majority of trips are made, where there are no alternative services and offer the best service to communities.

Based on the data provided in Appendix B Plymouth residents make an average of 8397 weekly journeys, at an average subsidy of £0.88 per journey.

### **Bus Service Operators Grant**

It should also be noted that the Department for Transport (DfT) has decided to allocate the fuel duty rebate, Bus Service Operators Grant (BSOG), directly to Local Authorities in respect to all subsidised services from 2013/14. A consultation paper is currently available from the DfT on the possible further expansion of this.

### **Community Transport**

Community Transport which is largely provided by the Charity Access Plymouth plays a key role in the provision of transport to Plymouth residents. The Ring and Ride and Community Car services offer door to door transport for elderly and/or disabled residents who are unable to use conventional public transport either because of availability or due to difficulties accessing it. A current trial is underway for residents in the north of the City through the provision of a Dial A Ride service which allows pre book-able journeys at staggered costs to any destination including the Hospital, supermarkets, or even bus stops to allow passengers to interchange with bus services taking them into the City Centre or elsewhere. The services

The combined trips in 2011/12 on all Community Transport services was 12,728.

### **Review of existing subsidised services**

Appendix B provides a list of the existing services the Council provide subsidy towards including overall cost and the cost per passenger.

## Appendix A: Criteria for providing Subsidised Bus Services

The Council works to provide the most effective balance between offering services which positively impact upon residents lives and having as great a coverage as possible. The limited size of the budget and the unprecedented amount of changes in local bus services over the last three years has required a flexible and dynamic approach to ensure as comprehensive a service as possible. The following factors are taken into account when subsidising a bus service.

- Available budget.
- Cost per passenger journey based on total passengers (from surveys and ETM data for existing services). The Council's maximum guide cost is £1.65 per passenger. This is reviewed annually subject to industry costs and inflation.
- Total passengers per journey.
- Total unique passengers per journey (those who would not have access to an alternative service within 400 metres at least an hourly frequency)
- Knowledge and detailed understanding of both historical and current context of services.
- Feedback from residents, stakeholders and Members.
- Topography.
- Car ownership levels.
- Accessibility links to the following:
  1. Main and local shopping centres / health facilities
  2. Key hubs to secure connections elsewhere
  3. Employment
  4. Education
  5. Leisure/tourism facilities

Detailed tender specifications are given to Bus Operators to quote against but the Public Transport Team is always clear that innovative proposals are welcome.

## Appendix B: Current bus services supported by Plymouth City Council

Service	Route Details	Operator	Days Subsidised	Full/Part Subsidy	Average Weekly Trips	Contract expiry date
<b>7D</b>	City Centre - Plymstock - Hooe	Target Travel	Monday to Friday	Full	636	23 May 2015
<b>13</b>	City Centre - Weston Mill & Saltash Passage	Plymouth Citybus	Monday to Friday	Full	1,105	23 May 2015
<b>14</b>	City Centre - Devonport - Keyham - Ham - Crownhill - Derriford	Target Travel	Monday to Friday	Full	1,414	23 May 2015
<b>16B</b>	City Centre - Kings Tamerton - Holly Park	Plymouth Citybus	Daily	Part (Evenings only)	757	31 May 2014
<b>18</b>	City Centre - Plymstock - Elburton	Target Travel	Monday to Friday	Full	455	23 May 2015
<b>19</b>	City Centre - Cosside - Cattedown - Merafield	Target Travel	Monday to Friday	Full	538	Rolling contract subject to full review
<b>25</b>	City Centre - Barbican - Hoe	Plymouth Citybus	Sundays & Bank Holidays - Summer Only	Part (Sundays & Bank Holidays Summer Only)	203	31 May 2014
<b>27</b>	City Centre - Mutley - Efford - Deer Park - Austin Farm	Plymouth Citybus	Sundays & Bank Holidays Only	Part (Sundays & Bank Holidays)	218	23 May 2015

<b>28B</b>	City Centre - Egguckland - Derriford Hospital	Plymouth Citybus	Sunday to Thursday	Part (Evenings only)	673	31 May 2014
<b>31</b>	City Centre - Ford - Beacon Park	Plymouth Citybus	Monday to Friday	Full	689	31 May 2014
<b>39</b>	City Centre - Compton - Morrisons - Hartley Vale	Target Travel	Monday to Friday	Full	539	23 May 2015
<b>52</b>	Plympton - Derriford Hospital	Target Travel	Monday to Friday	Full	786	23 May 2015
<b>223</b>	St Budeaux - Kings Tamerton Circular	St Budeaux Taxibus	Monday to Friday	Full	384	29 March 2013





# THROUGH TICKETING

## Overview



### Executive Summary

The term through ticketing for the purpose of this report encompasses the ability to travel between different bus services operated by the same or different operators and the addition of different modes of travel such as rail and ferry. This report sets out these definitions of through ticketing and what is currently available in Plymouth.

### Background

Through ticketing can take a number of forms but in its essence is usually used to describe a ticket which enables the passenger travel between one public transport service and another. Setting up these tickets within a deregulated bus industry is not simple and requires careful attention to competition law to avoid issues around cartels, detailed discussion on data sharing and how revenue is apportioned between partners. A successful ticketing scheme usually requires good partnership working between the Local Authority and the bus operators and most significantly requires a good deal of will on behalf of all parties.

Powers provided in the Transport Act 2008 give Local Authorities the opportunity to mandate a multi operator ticketing scheme but significantly the bus operators are able to set the price and therefore without a positive working relationship a resulting ticket could be unaffordable.

### Smart ticketing

Although through ticketing can and does exist in simple formats such as paper tickets purchased from drivers the introduction of smart ticket machine technology on board buses does open up further opportunities. The UK's interoperable ticketing technical standard is known as ITSO and Plymouth has worked in partnership on a regional project over the last few years with all bus companies and Local Authorities in the South West to either upgrade or replace ticket machines to meet this standard. The ITSO standard spans all forms of transport and has been featured in all recent rail franchise tender documents in recent years. The benefits include improved boarding times which result in fewer delays and specifically in relation to through ticketing the ability to encode ticketing products with specific acceptance rules which will work regardless of the ticket machine supplier. The data collected can be used to give accurate revenue reimbursements to bus operators based on actual journeys made.

However, regardless of the technology the introduction of such a ticket is still dependent upon the will, partnership working and satisfaction of legal requirements to introduce a product.

### Electronic Money

As part of the regional project mentioned above which is led by the public/private company South West Smart Applications Limited a new form of smart ticketing will be available in Plymouth subject to the findings of a current trial in the Bristol area and the buy in of local bus companies. Known as E Money a company called sQUID has been awarded a contract to provide an independent smart card which will be useable on all ITSO ticket machines. The technology is

similar to the wave and pay function offered by certain UK banks and credit card companies such as Barclaycard. In the case of the sQUID card customers are able to load up credit in advance or automatically top up their balance online and then deductions are made each time they travel. However, this is purely a payment mechanism and in order to meet the spirit and objective of through ticketing require the actual multi operator tickets to be available in the first place.

### Bus operators

Commercial bus operators will consider further expansion or the introduction of new through tickets subject to the detail required. Despite been easier for the passenger in terms of use it is unfortunate that electronic ticketing enabled through the ITSO specification does entail significant cost and complexity to set up and maintain.

### Ferry operators

Recent discussions with ferry operators in the City reveal that they are very keen on both the technology and the principles of increased through ticketing. A general summary would be that they would be likely to support such a roll out subject to the operational and revenue detail.

### Rail operators

Further through ticketing with rail services will be very complex but certainly possible if the companies can be convinced. The current postponement of the Greater Western franchise will make any discussion on this matter in the short term unlikely.

### Through tickets currently available in Plymouth

Ticket	Definition
Return – single operator	Available for an outward and return journey on a particular operator.
Day ticket – single operator	Available for unlimited journeys within a defined area on a particular operator
English National Concessionary Ticketing Scheme	Known as the concessionary bus pass the physical pass is fully interoperable both as a flash pass to the driver and also encoded with ITSO technology to allow smart recording on certain ticket machines.
Plus Bus	A national initiative allowing rail passengers to add on bus travel to their train ticket within their destination location. This is available in Plymouth.
Plymouth Green Travel Pass	A Plymouth City Council led partnership between Plymouth Citybus, First Devon and Cornwall, Target Travel and Western Greyhound allowing unlimited travel on any bus service within defined areas which cover 3 different zone options from a City Centre only zone through to a Country Zone extending as far as Dobwalls and Kingsbridge. Set up as a travel plan initiative and currently only available to employees of nine current member employers in the City, the cost of the tickets are deducted directly from salaries. The products have migrated to the ITSO technical standard and are in the process of being accepted by all Operators.

Ferryrider	An agreement between Plymouth Citybus and the Cremyll Ferry enabling travel on the Cremyll Ferry and on Plymouth Citybus services between Stonehouse Bridge and the City Centre.
Dayrider + Ferry	An agreement between Plymouth Citybus and the Cremyll Ferry enabling travel on the Cremyll Ferry and unlimited travel on Plymouth Citybus services within the City.
Explorer Plus	An agreement between Stagecoach Devon and Plymouth Citybus allowing unlimited travel on both operators
Dartmoor Sunday Rover	Available on Sunday and Public Holidays. Unlimited travel on most bus services in Devon including First Devon and Cornwall buses in Plymouth and various train services including the Tamar Valley line trains between Plymouth and Gunnislake.
Travel on Plymouth's subsidised bus services	As part of the contract process Plymouth City Council ensures that other operators tickets are accepted on subsidised bus services.

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# BUS PARTNERSHIPS, SCHEMES AND CONTRACTS

## Overview



## INTRODUCTION

This document sets out the various options available for public transport systems as set out under The Local Transport Act 2008. The report specifically looks at:

- Voluntary Partnership Agreements;
- Quality Partnership Schemes; and
- Quality Contract Schemes

The report takes its base information from the Department for Transport's publications *The Local Transport Act 2008: Creating the right public transport system for your area* and *The Local Transport Act 2008 Quality partnership schemes: statutory guidance to English local transport authorities and metropolitan district councils*.

## DEFINITIONS

**Voluntary Partnership Agreements:** an agreement where a local transport authority undertake to provide particular facilities or to do other things of benefit to passengers, and an operator, or operators, undertake to provide services to a particular standard.

**Quality Partnership Schemes (QPS):** A QPS involves the council providing "facilities", and operators wishing to use those facilities must undertake to provide "services" to a particular standard specified. A QPS is a statutory scheme, and the Traffic Commissioners have powers to impose sanctions on operators who use the facilities without meeting the standard. QPSs are able to include requirements about service frequencies, timings or maximum fares as part of the specified standard of service.

The definition of facilities is varied examples include: off site buildings such as the George Park & Ride, bus stops, accessible raised bus boarders, real time information, bus stop clearways, signal priority for buses, bus lanes, and enforcement of restrictions which benefit bus operators.

Services can be specified relating to the minimum standards required to operate under the QPS. These can include; vehicle quality, age, emissions and facilities, frequencies, timetabling, driver training, punctuality, reliability, customer care standards, maximum fares (if not objected to by an Operator) and data sharing.

**Quality Contract Schemes:** A QCS involves replacing the existing deregulated market with a system of contracts – as currently operates in London. Under a QCS, the local authority specifies the bus services that are to be provided in the area of the scheme, and invites tenders from operators to provide those services under contract

There are five public interest tests which need to be applied in order to demonstrate why a QCS is required, they are:

- increased patronage;

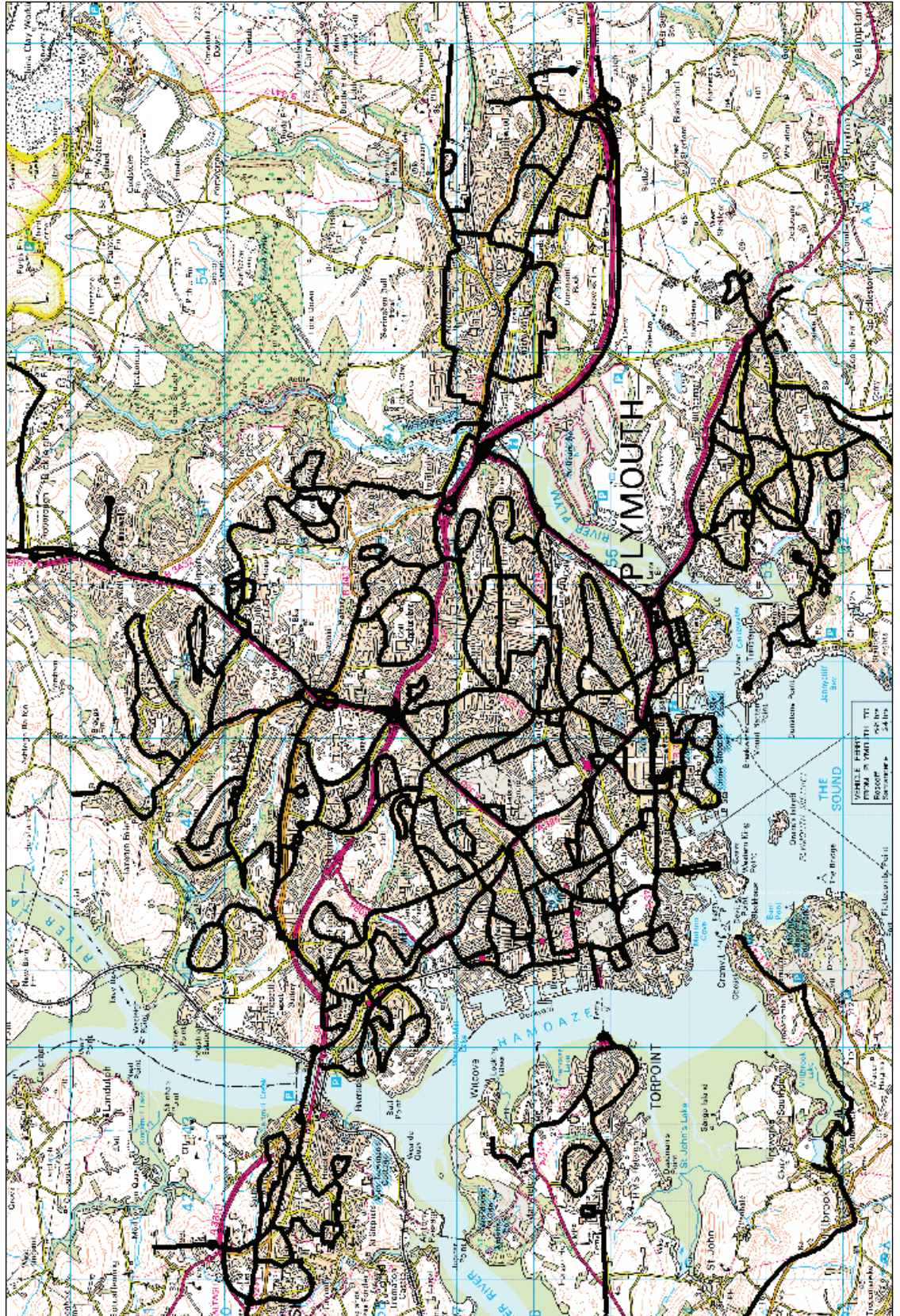
- passenger benefits
- achieving the Authority's policy objectives;
- economy, efficiency and effectiveness.
- the proportionality of the benefits identified in relation to the first four tests to any dis-benefits to incumbent operators.

Despite a number of reports in the media since legislation was first introduced in 2000 there have been no Quality Contracts implemented outside of London. Metro, in West Yorkshire, is the closest to introducing a quality contract following a number of years of consultation and research. Work on this scheme commenced in 2009 and a forecast date for contracted services to start is June 2014.





**BUS SERVICES**  
All Current Routes

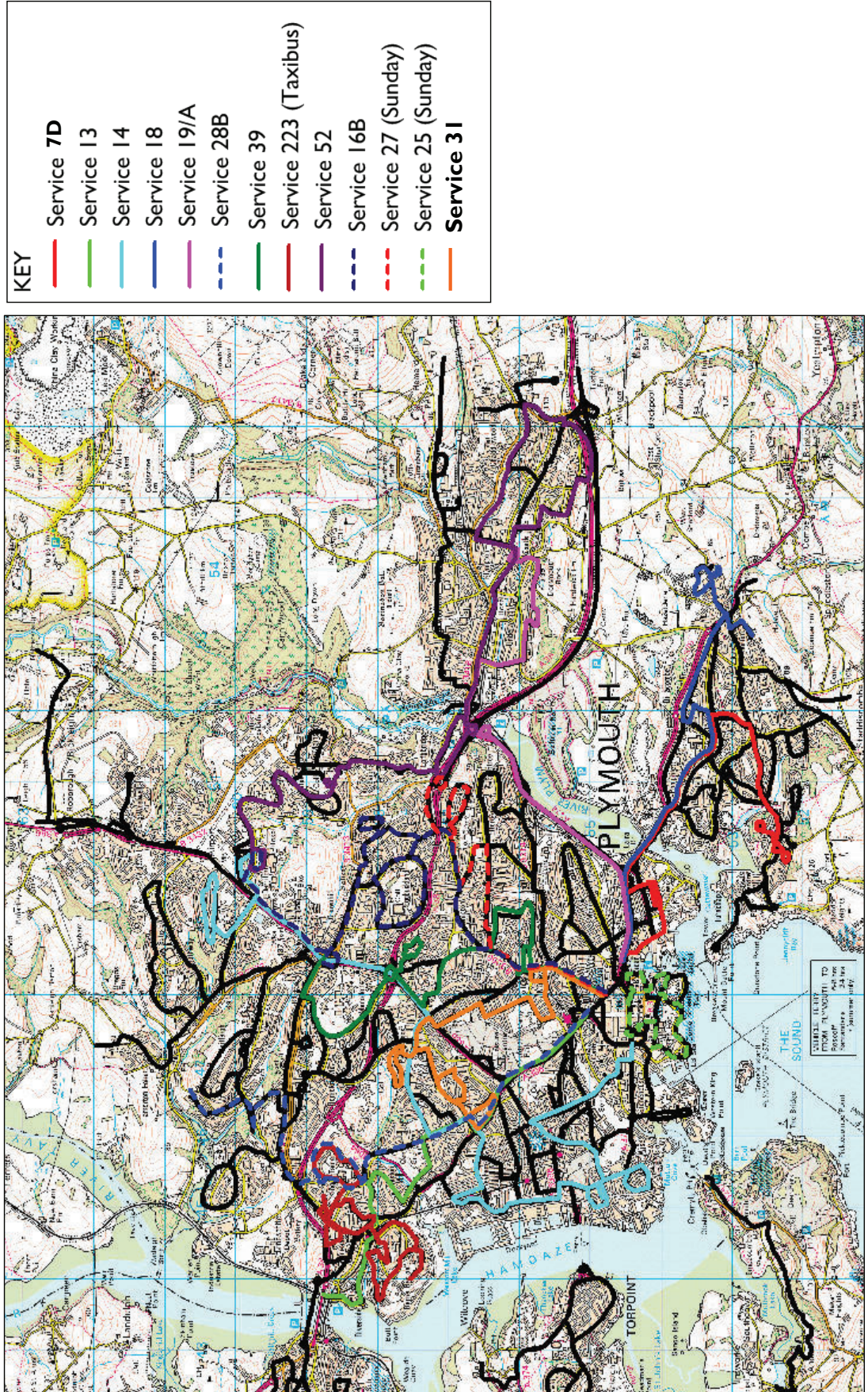


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**SUBSIDISED BUS SERVICES**  
Council Supported Routes



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