

## CITY OF PLYMOUTH

**Subject:** Subsidised Bus Services Briefing  
**Committee:** Growth and Prosperity Overview and Scrutiny Panel  
**Date:** 5 September 2011  
**Cabinet Member:** Councillor Wogens  
**CMT Member:** Director for Development and Regeneration  
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**Ref:**

**Key Decision:** N  
**Part:** Part I

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### 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, the review process and usage data. 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 Sustainable Transport Team fulfil this function utilising an annual budget of £368k, which is fixed for the next three years, securing services through a combination of full OJEU tender processes and competitive quotes based on the nature of the service procured.

### Background

The Council can provide subsidy for the operation of local passenger transport under the legislation set out in the 1985 and 2000 Transport Acts. The following considerations are commonly taken into account; services can either be provided for a perceived social need as long as it is not in direct competition with an existing commercial service; and subsidy can be offered on a kick start basis to assist with either converting a failing service or a new service to operate commercially in the longer term, this includes the use of Section 106 funds.

### Subsidising a bus service

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

- A full tender process of services every 2-5 years depending on the outcome of the annual 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.

## Criteria for subsidy

The Council works within the confines of a fixed budget 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 two years has required a flexible and dynamic approach to ensure as comprehensive a service as possible. Through tender processes contracts are awarded on factors including quality and costs but the actual services which are put out to tender are selected using a combination of the following factors:

- Available budget.
- Cost per unique passenger journey (from surveys and electronic ticket machine (ETM) data for existing services), a maximum cost of £1.65 per unique passenger which will be reviewed annually subject to industry costs and inflation.
- Cost per passenger journey based on total passengers (from surveys and ETM data for existing services).
- Total passengers per journey.
- Total unique passengers per journey (those who would not have access to an alternative service within 400 metres at a better than hourly frequency)
- Knowledge and detailed understanding of both historical and current context of services.
- Feedback from residents, stakeholders and Members.
- Topography.
- Demographics.
- Indices of Multiple Deprivation.
- 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.

## Regular review

- Patronage data is reviewed on a monthly basis to track the effectiveness of each individual service and the cost per passenger.
- All services are reviewed annually 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 and offer the best service to communities.

## Planning for the future

Existing subsidised bus service contracts are due to end in May 2012 and work is currently underway to plan for service monitoring towards the end of the year. Consideration will also be given to the option of extending contracts due to the fact a number have been changed or re let in recent months following significant changes in the commercial network.

## **Existing subsidised services**

Appendix A provides a list of the existing services the Council provide subsidy towards including overall cost and the cost per passenger, an indication is provided as to whether the service is full or part subsidised, and the average number of monthly passengers is given.

**Appendix A: Current bus services supported by Plymouth City Council**

<b>Service</b>	<b>Route Details</b>	<b>Operator</b>	<b>Days Subsidised</b>	<b>Full/Part Subsidy</b>	<b>Weekly Cost</b>	<b>Average Weekly Trips</b>	<b>Cost Per Passenger</b>
<b>7D</b>	City Centre - Plymstock - Hooe	Target Travel	Monday to Friday	Full	£650.00	433	£1.50
<b>13</b>	City Centre - Weston Mill & Saltash Passage	Plymouth Citybus	Monday to Friday	Full	£605.00	910	£0.66
<b>14</b>	City Centre - Devonport - Keyham - Ham - Crownhill - Derriford	Target Travel	Monday to Friday	Full	£1,390.00	1671	£0.83
<b>16B</b>	City Centre - Kings Tamerton - Holly Park	Plymouth Citybus	Daily	Part (Evenings only)	£462.30	752	£0.61
<b>18</b>	City Centre - Plymstock - Elburton	Target Travel	Monday to Friday	Full	£690.00	485	£1.42
<b>19</b>	City Centre - Coxside - Cattedown - Merafield	Target Travel	Monday to Friday	Full	£450.00	538	£0.84
<b>25</b>	City Centre - Barbican - Hoe	Plymouth Citybus	Sundays & Bank Holidays - Summer Only	Part (Sundays & Bank Holidays Summer Only)	£151.37	160	£0.95
<b>27</b>	City Centre - Mutley - Efford - Deer Park - Austin Farm	Plymouth Citybus	Sundays & Bank Holidays Only	Part (Sundays & Bank Holidays)	£119.00	215	£0.55
<b>28B</b>	City Centre - Eggbuckland - Derriford Hospital	Plymouth Citybus	Sunday to Thursday	Part (Evenings only)	£408.61	641	£0.64
<b>31</b>	City Centre - Ford - Beacon Park	Plymouth Citybus	Monday to Friday	Full	£424.75	692	£0.61
<b>39/39A</b>	City Centre - Compton - Morrisons - Hartley Vale	Target Travel	Monday to Friday	Full	£730.00	551	£1.32
<b>46/47</b>	Whitleigh - Southway - Glenholt - Derriford Hospital - Asda - Austin Farm	Target Travel	Monday to Friday	Full	£775.00	425	New service from August 2011

<b>52</b>	Plympton - Derriford Hospital	Target Travel	Monday to Friday	Full	£800.00	791	£1.01
<b>223</b>	St Budeaux - Kings Tamerton Circular	St Budeaux Taxibus	Monday to Friday	Full	£210.00	335	£0.63