

# SCRUTINY UPDATE

## Subsidised bus routes and through ticketing



### BACKGROUND

The Overview and Scrutiny Management Board set up a Task and Finish Group to carry out a review into subsidised bus routes and through ticketing. The review was undertaken on four separate occasions throughout October, November and December 2012. Fourteen recommendations came from the review and all were accepted by Cabinet in their February 2013 meeting.

The fourteen recommendations were presented to Cabinet under the following headings:

- Four x Through Ticketing Recommendations (TTR)
- Two x Subsidised Services Recommendations (SSR)
- Eight x Additional Recommendations (AR)

It was highlighted at the time the recommendations were made and accepted by cabinet that a number of them related to decisions which had to be made by the bus operators, and therefore the Council could only try to influence.

### SUMMARY

#### Subsidised services

In 2013 12 of the 15 subsidised routes the Council support were put out for tender due to the expiry of the existing contracts. The contracts utilised a combination of existing budgets, section 106 and funding from a successful DfT bid for expanding one of the services into the east of the City. A number of the Scrutiny recommendations were fulfilled through this process.

The Park and Ride 3 which links Derriford and Marjons from the George Junction was ran under contract from November 2012 to January 2014 and now operates commercially, albeit at a lower frequency. The Sunday daytime and weekday evening service 27/28 was also taken on commercially by Plymouth Citybus, leaving just the Sunday and Bank Holiday evening service requiring subsidy.

#### Through Ticketing

The Council successfully negotiated a new multi operator day ticket called the Skipper. The ticket offers unlimited travel valid on any of services provided by the city's eight bus companies. In addition to Plymouth the validity extends as far as Wembury, Ivybridge, Roborough, Saltash and Torpoint. Securing the ticket required influencing the bus operators and navigating complex legislation. At only £4 for an adult and £3 for a child the Skipper offers passengers very good value for money.

The Green Travel Pass, which is a multi-operator monthly pass available to staff from ten member companies within Plymouth, has been retained. The Council is working towards introducing a period version of the Skipper available to anyone which would consequently make the Green Travel Pass unnecessary. However, this is a more complex process and robust reimbursement and fraud protection measures are required in order to encourage bus operators to commit to a wider scheme.

**CURRENT SUBSIDISED BUS ROUTES**

Service	Brief Route Details	Service pattern	Operator
7D	City Centre – Cattedown - Plymstock – Hooe	Monday to Friday daytime	Target Travel
13	City Centre – Weston Mill – Saltash Passage	Monday to Friday daytime	Jackett's Coaches
14	Derriford – Devonport – City Centre – Cattedown – Plymstock - Plympton	Monday to Saturday Daytime and Evenings	Plymouth Citybus
18	City Centre – Plymstock – Elburton	Monday to Friday daytime	Target Travel
19	City Centre – Marsh Mills – Merafield – Plympton Ridgeway	Monday to Friday daytime	Target Travel
25	City Centre – Barbican – Hoe	Sundays and Bank Holidays (Summer Only)	Jackett's Coaches
28B	City Centre – Deer Park - Eggbuckland – Derriford Hospital	Sundays & Bank Holidays Evenings only	Plymouth Citybus
31	City Centre – Ford – Beacon Park	Monday to Friday daytime	Target Travel
39	City Centre – Hartley Vale – St Peters Road – Crownhill	Monday to Friday daytime	Target Travel
48	Wembury - City Centre - Burrator reservoir	Sundays and Bank Holidays	First South West
52	Plympton – Leigham – Estover – Derriford Hospital	Monday to Friday daytime	Jackett's Coaches
St Budeaux Taxibus	St Budeaux circular service	Monday to Friday daytime	St Budeaux Taxibus

## RECOMMENDATION UPDATE

### Through Ticketing Recommendations (TTR)

#### Through Ticketing Recommendation 1

*The Sustainable Transport Team, in partnership with the Economic Development and all city bus operators, actively encourage an increased level of employers to participate in the Plymouth Green Travel Pass Scheme (GTPS) to increase the number of patrons travelling on Plymouth's network using a GTPS. In addition the Planning Department are encouraged to give a stronger emphasis to employers on the GTPS when applications are received from major employers. The increase in patronage is to be undertaken with all bus operators signing up to a commitment to aspire to deliver a universally available multi-operator ticket in the future.*

#### **Update to TTR1. Part implemented**

Membership of the Green Travel Pass scheme has reduced over the last 12 months. This is likely to be due to the price of the tickets compared to a single operator but also changes in the local bus market whereby Plymouth Citybus particularly have greater dominance, and therefore the demand for a multi operator ticket is less than it was.

The Council have negotiated with the bus operators a series of measures to help encourage more members, these include:

- The inclusion of Park & Ride services for the first time from April 2014.
- The inclusion of two additional bus operators, Stagecoach South West and Jackett's Coaches from April 2014.
- The removal of a scheme marketing contribution from member organisations.
- An average price increase of 3.9% which is lower than the fare increases of recent years.
- Re-working of the zones to expand the most popular 'All Zone' to include Ivybridge and Wembury.

The Council also negotiated the introduction of a multi operator day ticket as detailed in the Through Ticketing update on page 1 of this report.

#### Through Ticketing Recommendation 2

*The GTPS should be subject to a nil price increase in 2013; however, if bus operators consider a price increase is necessary for the continued delivery of the GTPS then the level of increase should be no higher than the Retail Price Increase (RPI) at that time.*

#### **Update to TTR 2. Implemented**

The 2013 annual bus operator meeting, where the fares are agreed for the forthcoming financial year, was held before this recommendation was accepted by Cabinet. The increase for 2013/14 significantly exceeded RPI despite a request from Council officers to minimise it. However, the average increase for 2014/15 is lower and will be 3.9% which is nearer to RPI at 2.6%.

### **Through Ticketing Recommendation 3**

*Plymouth City Council aspires to deliver a thriving growth centre by creating conditions for investment in quality homes, jobs and infrastructure and asks all operators to commit to this vision by adopting a technological platform that ensures the investment and incorporating of ITSO compliant ticket machines on all buses by the end of the financial year 2013 – 2014.*

#### **Update to TTR3. Part implemented**

ITSO is the technical standard for ticket machines which allows electronic tickets to be used across different bus companies. Unfortunately First South West have not committed to rolling out smart ticketing machines on their services. There has been uncertainty over the future of their operations in the city which makes the case for their investment difficult. It is unlikely this will be resolved in the near future. All other bus operators serving the city are equipped with the latest ITSO compliant ticket machines.

### **Through Ticketing Recommendation 4**

*In order to encourage the increased use of smart tickets and the benefits of smart technology are achieved all bus operators are encouraged to commit to offering incentives to users of smart tickets, subject to the influence of market services and companies profitability.*

#### **Update to TTR4. Part implemented**

Officers made the following comment in relation to this recommendation for the February 2013 Cabinet report: ‘Bus operators will be encouraged to do this learning from best practice elsewhere although it should be noted that they will make the ultimate decision.’ This has been done to a degree with Plymouth Citybus in that they have since opened up new forms of smart ticketing such as mobile ticketing on smartphones which offers a longer validity for the same price. However, we have not seen specific discounts for using smart ticketing rather they are simply available as a convenient option for some users.

### **Subsidised Services Recommendation 1**

*In order to deliver a more stable subsidised bus network tendered services will generally be offered contracts of 3 years with an option to extend for a further two years and all will be subject to a 120 day notice period (an increase on the current 56 day statutory clause).*

#### **Update to SSR 1. Implemented**

As part of the recent re-tendering exercise contracts were let for 5 years to maximise value for money and the notice period was increased to 120 days as per the recommendation.

### **Subsidised Services Recommendation 2**

*The Sustainable Transport Team is asked to provide greater levels of detail in the tendering process for all subsidised services in order to provide more clarity for bidders about how the council will be scoring the process.*

#### **Update to SSR 2. Implemented**

As part of the recent re-tendering exercise, the evaluation criteria was significantly more robust than on previous tenders, and issued in accordance with procurement processes. Operators were provided with a full scoring mechanism for each of the evaluation criteria. The scoring mechanism provided full definitions of what was required to achieve each score.

**Additional Recommendation 1**

*To deliver a fair and equal bus network all bus operators are asked to provide a young persons' bus ticket in the city to anyone 18 and under (up to their 19<sup>th</sup> birthday) or up to their 23rd birthday if still in full-time education, as raised by the representatives of the Youth Cabinet.*

**Update to AR1. Part implemented**

First South West have recently changed their young people's fares to bring them in line with Plymouth Citybus for anyone up to 18. They also offer this fare for any student with an NUS card. Collectively the two companies account for over 95% of trips within Plymouth. Officers will continue to work with the smaller operators in the City to adopt the same criteria which will provide even greater consistency.

**Additional Recommendation 2**

*To provide a more open and customer friendly service all bus operators are encouraged to develop a way that provides an easily identifiable contact number for bus patrons to provide comments and suggestions.*

**Update to AR2. Implemented**

Operator contact details are clearly shown on bus stop timetable information and on their respective websites.

**Additional Recommendation (AR) 3**

*The Sustainable Transport Team, are to investigate Oxford City Council's experiences, challenges and successes in developing the public transport system that is currently operated in the city, to establish whether a similar system could be implemented in Plymouth, as per the recommendation in Ray Bentley's report (included as Appendix D).*

**Update to AR3. Implemented**

In April 2013 the Cabinet Member for Transport, the Managing Director of Plymouth Citybus and Council officers visited Oxford to meet with senior managers from the two main bus companies and Local Authority representatives from both the City Council and Oxfordshire County Council.

The two main topics of discussion were the service planning coordination the parties undertook to reduce the amount of buses in the City Centre as part of plans to introduce a Low Emission Zone and also the work they had undertaken with respect to multi operator ticketing.

Plymouth City Council consequently negotiated the introduction of a multi operator day ticket, with the continued aspiration for period tickets. The Council has also led a series of stop reallocations on Royal Parade to try and maximise capacity. Part of this work involved freeing up space on stops where possible and includes the small capital project to lengthen stop A1 outside St Andrews to allow more buses to use it. Officers do not consider Plymouth to face the same specific challenges as Oxford and have no plans to reduce the number of bus services, or seek to reallocate them.

**Additional Recommendation (AR) 4**

*Following the expected devolution of Bus Service Operators Grant (BSOG) funding from Operators to Local Authorities in respect of subsidised services the recommendation is made to permanently ring fence this funding towards the provision of subsidised bus services.*

**Update to AR4. Implemented**

This recommendation has been fulfilled. All devolved BSOG funding has been retained within the subsidised services budget and is being used to pay for these services.

**Additional Recommendation 5**

*Sustainable Transport Officers are requested to notify the relevant ward members when the continuation of an individual subsidised bus services becomes at risk.*

**Update to AR5. Implemented**

Relevant Ward Members will be informed of any subsidised bus services which are at risk by the Public Transport Team.

**Additional Recommendation 6**

*The Sustainable Transport Team will investigate initiating a pilot hail and ride project in Devonport, as proposed by the Senior Citizen's Forum.*

**Update to AR6. Not implemented**

This recommendation has not being fulfilled due to road safety and bus punctuality reasons. When the feasibility was assessed it became clear that random stopping points were not desirable from a road safety perspective and could lead to accidents. All bus stop locations are assessed to ensure they are in the best possible location. It was also considered that multiple stops on a service could lead to delays which would conflict with the Council's commitments to bus operators made within the City's Bus Punctuality Improvement Partnership. The decision not to undertake the trail was made in conjunction with the current operator of the proposed route.

**Additional Recommendation 7**

*Sustainable Transport Officers continue to incentivise the bus operators to increase passenger numbers by offering net contracts for subsidised bus services as opposed to gross, where possible and suitable.*

**Update to AR7. Implemented**

All contracts offered through recent re tendering exercise were let on a net cost basis as per the recommendation.

**Additional Recommendation 8**

*The Council are encouraged to seek the support of local MPs to encourage them to make representation to the Secretary of State for Transport on the current financial pressures facing the bus industry and the knock on effect to passengers. These pressures are compounded by a reduction and changes to Bus Services Operators Grant (BSOG), general fuel cost increases, inflation and uncertainties over concessionary travel reimbursement rates.*

**Update to AR8. Not implemented**

Whilst various representations have been made to Ministers on the need to prioritise public transport investment it has been agreed with the Cabinet Member for Transport that this specific recommendation will be fulfilled at a later date if there is the threat of further pressure on the industry.