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## SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)

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Meeting to be held in Civic Hall, Leeds, LS1 1UR on  
Thursday, 31st January, 2013 at 10.00 am

*(A pre-meeting will take place for ALL Members of the Board at 9.30 a.m.)*

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### MEMBERSHIP

#### Councillors

- M Rafique (Chair) - Chapel Allerton;  
J Akhtar - Hyde Park and Woodhouse;  
D Cohen - Alwoodley;  
M Lyons - Temple Newsam;  
P Wadsworth - Guiseley and Rawdon;  
R Harington - Gipton and Harehills;  
M Ingham - Burmantofts and Richmond Hill;  
J McKenna - Armley;  
B Urry - Roundhay;  
J Chapman - Weetwood;  
J Marjoram - Calverley and Farsley;

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*Please note: Certain or all items on this agenda may be recorded.*

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**Agenda compiled by:**  
**Phil Garnett**  
**Governance Services**  
**Civic Hall**  
**LEEDS LS1 1UR**  
**Tel: 24 74355**

**Principal Scrutiny Advisor:**  
**Kate Arscott**  
**Tel: 24 74792**

# A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p><b>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</b></p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).</p>	
2			<p><b>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</b></p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p><b>RESOLVED –</b> That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:-  <b>No exempt items on this agenda.</b></p>	

3

### **LATE ITEMS**

To identify items which have been admitted to the agenda by the Chair for consideration.

(The special circumstances shall be specified in the minutes.)

4

### **DECLARATION OF DISCLOSABLE PECUNIARY AND OTHER INTERESTS**

To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13-18 of the Members' Code of Conduct. Also to declare any other significant interests which the Member wishes to declare in the public interest, in accordance with paragraphs 19-20 of the Members' Code of Conduct.

5

### **APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES**

To receive any apologies for absence and notification of substitutes.

6

### **SCRUTINY INQUIRY - BUS SERVICES IN LEEDS**

To receive a report of the Head of Scrutiny and Member Development introducing the third session of the Scrutiny Inquiry into Bus Services in Leeds.

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### **DATE AND TIME OF NEXT MEETING**

Thursday, 10am 21<sup>st</sup> February 2013 (A pre meeting for Members will take place at 09:45am)

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**Report of Head of Scrutiny and Member Development**

**Report to Scrutiny Board (Sustainable Economy and Culture)**

**Date: 31 January 2013**

**Subject: Scrutiny Inquiry – Bus Services in Leeds**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. The board decided at its first meeting that it wished to carry out an inquiry on bus services this year. A working group meeting was held on 2 August to meet with representatives from City Development and Metro to scope the inquiry, resulting in the attached terms of reference for the inquiry being agreed by the board (Appendix 1).
2. The first formal session of the inquiry took place in November and the second session took place in December. The board decided in November that it would add a third session to the inquiry, in order to provide additional time to gather evidence. The third session, which is the subject of this meeting, will involve dialogue with representatives from bus operators and passenger representatives.
3. The following witnesses have confirmed their attendance at the meeting:
 

*Passenger representatives*

  - David Brady, Vice Chair, Leeds Passenger Consultative Committee
  - Philip Good, bus passenger and former member of Leeds Passenger Consultative Committee
  - Georgiana Weatherill, Environmental and Sustainability Manager, Leeds City College

### *Bus operator representatives*

- Keith McNally, Chair, Association of West Yorkshire Bus Operators (AWYBO)
- Dave Alexander, Regional Managing Director (North), First Group (AWYBO)
- Nigel Featham, Arriva Yorkshire (AWYBO)
- Andrew Stirling, Ross Travel, representing smaller operators (AWYBO).

Officers from City Development and Metro have also been requested to attend the meeting in order to assist in answering questions from the board as required.

4. Attached to this report are the following submissions received from passenger and bus operator representatives:
  - Submission from Philip Good in relation to service 74
  - Report from the Association of West Yorkshire Bus Operators (AWYBO)
  - Executive summary and report from First

### **Recommendation**

5. The board is requested to consider the issues raised by this session of the inquiry, and to decide whether any further evidence is required before discussing initial conclusions and recommendations to inform the board's final report.

### **Background documents<sup>1</sup>**

None used

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

## **Scrutiny Board (Sustainable Economy and Culture)**

### **Bus Services in Leeds**

#### **Terms of reference**

#### **1.0 Introduction**

- 1.1 One of the priorities in the City Priority Plan for Leeds under the banner of 'best city for business' is to "improve journey times and the reliability of public transport".
- 1.2 Following on from the Board's inquiry in 2011/12 into the impact of existing major sources of travel movements within the city, and the plans being made to address the impact of known future developments on the city's transport infrastructure, Members agreed that they wished to carry out an inquiry this year looking specifically at how to encourage increased bus patronage in Leeds.
- 1.3 A working group meeting was held on 2 August with representation from City Development directorate and Metro, to scope the proposed inquiry. At the working group we were made aware of 2 major consultations being carried out by the West Yorkshire Integrated Transport Authority, which are scheduled to take place in late 2012 and will affect the future of bus services in Leeds.
- 1.4 The first of these is the Area Bus Network Review Programme, which is a review of services across West Yorkshire. The review is being carried out on a phased basis and will be taking place in Leeds over the coming months, for implementation in the second half of 2013.
- 1.5 The second is the proposal to introduce a Bus Quality Contract Scheme in West Yorkshire. The proposals will be subject to a formal statutory public consultation process.
- 1.6 It is proposed that the Scrutiny Board times its work in order to include participation in these consultations as one strand of the inquiry.

#### **2.0 Scope of the inquiry**

- 2.1 The purpose of the Inquiry is:
  - To make an assessment of and, where appropriate, make recommendations on what can be done to encourage more people to use buses in Leeds;
  - To participate in the consultations on proposed changes to bus services in Leeds arising from the Area Bus Network Review Programme, and the proposed bus quality contract scheme for West Yorkshire.

- 2.2 The Board hopes that its findings will provide a timely and positive contribution to achieving the city priority to “improve journey times and the reliability of public transport”.

### **3.0 Comments of the relevant director and executive member**

- 3.1 Scrutiny Board procedure rules require that the Board consults with the relevant Executive Member and Director on the terms of reference for its inquiries. Any views will be communicated to the Board. Officers from City Development Directorate and Metro contributed directly to the scoping of the inquiry.

### **4.0 Timetable for the inquiry**

- 4.1 The inquiry will take place in November and December 2012.
- 4.2 The inquiry will conclude with the publication of a formal report setting out the board’s conclusions and recommendations. The Board may also make specific submissions as part of the two consultation processes.

### **5.0 Submission of evidence**

#### **5.1 Scrutiny Board meetings – 22 November 2012 and 20 December 2012**

The evidence for this inquiry will include:

- Background and context to deregulation of bus services
- Information on the role of the West Yorkshire Integrated Transport Authority in relation to bus services
- Update on current key issues, eg ticketing, fares, journey times, reliability, routes
- Opportunities and barriers in relation to increasing bus usage
- Issues of local accountability and governance for Leeds in relation to the provision of bus services
- The role of the Highway Authority
- Background and context to the Area Bus Network Review programme, information on the consultation process and details of the proposals for Leeds
- Overview of Bus Quality Contract schemes and details of the proposals for the West Yorkshire Bus Quality Contract Scheme

The board will then consider emerging conclusions and recommendations to inform the production of the final inquiry report.

- 5.2 The inquiry will be supported by officers from Metro and the City Development Directorate. Other witnesses will be invited as appropriate, including bus service providers and passenger representatives.



## **6.0 Equality, Diversity and Cohesion and Integration Issues**

- 6.1 Where appropriate, all terms of reference for work undertaken by the Scrutiny Boards will include  
To review how and to what effect consideration has been given to the impact of a service or policy on all equality areas, as set out in the council's Equality and Diversity scheme, and on the council's Cohesion and Integration Priorities and Delivery Plan.
- 6.2 The objectives of this inquiry particularly reflect the following theme from the council's Equality and Diversity scheme:  
Service Delivery – Leeds City Council provides fair access to services which meet the needs of our diverse communities and individuals. However it is recognised that Leeds City Council does not directly provide bus services.

## **7.0 Monitoring Arrangements**

- 7.1 Following the completion of the scrutiny inquiry and the publication of the final inquiry report and recommendations, the implementation of the agreed recommendations will be monitored.
- 7.2 The final inquiry report will include information on the detailed arrangements for monitoring the implementation of recommendations.

## **8.0 Measures of success**

- 8.1 It is important to consider how the Board will deem whether its inquiry has been successful in making a difference to local people. Some measures of success may be obvious at the initial stages of an inquiry and can be included in these terms of reference. Other measures of success may become apparent as the inquiry progresses and discussions take place.
- 8.2 The Board will look to publish practical recommendations.

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## Stops on service 74 from Sharp House, Belle Isle to Middleton Arms to illustrate punitive costs of short and medium distance travel

First Leeds's 74 bus route is a "horseshoe" shaped route that is 11 miles long linking two termini which are just 1.5 miles apart by the direct road route, and taking 55 minutes (65 minutes at peak times) - so no one ever travels the full 11 mile route. Yet the average fare per mile for the 11 miles looks excellent value in company statistics at £2.80/11 = 25p per mile.

However, the fare per mile for the 5 miles from Sharp House terminus to the City Centre is £2.80/5 = **56p per mile**; the fare per mile for the 2.75 from Sharp House terminus to Morrisons at Hunslet Shopping Centre is £2.80/2.75 = **£1.01 per mile**, and the fare for the 1.75 miles from Sharp House terminus to Hunslet Cemetery is £2.80/1.75 = **£1.60 per mile!**

<u>Distance</u>	<u>Bus Stop Name</u>	<u>Comment</u>
0 miles	1. <u>Melton Avenue</u>	Sharp House Terminus, Belle Isle
	2. <u>Sharp House Road</u>	
	3. <u>Cranmore Road</u>	
	4. <u>Cranmore Road</u>	
	5. <u>Cranmore Rise</u>	
	6. <u>Raylands Road</u>	
	7. <u>Middleton Ring Road</u>	
	8. <u>Hopes Farm Road</u>	
	9. <u>Lea Park Drive</u>	
	10. <u>Middlecroft Road</u>	
	11. <u>Enterprise Way</u>	
1.75 miles	12. <u>East Grange Drive</u>	For Hunslet Cemetery £2.80 (peak fare) from Sharp House terminus
	13. <u>Parnaby Road</u>	
	14. <u>Leasowe Road</u>	
	15. <u>Pepper Road</u>	
	16. <u>Midland Close</u>	
	17. <u>Midland Road</u>	
	18. <u>Hunslet Shop Ctr</u>	For Morrisons, Health Centre, Doctors, Dentist, Library £2.80 (peak fare) from Sharp House terminus
2.75 miles	19. <u>Church Street</u>	
	20. <u>Stafford Street</u>	
	21. <u>Pym Street</u>	
	22. <u>Brookfield Street</u>	
	23. <u>Chadwick Street</u>	
	24. <u>Crown Point Road A2</u>	
	25. <u>Crown Point Bridge</u>	
	26. <u>Eastgate G5a</u>	
	27. <u>Vicar Lane M2</u>	For City Centre £2.80 (peak fare) from Sharp House terminus
5 miles	28. <u>Vicar Lane M7</u>	
	29. <u>Boar Lane T7</u>	

	30.	<u>Aire Street S12</u>	
	31.	<u>Whitehall Road S15</u>	
	32.	<u>Airedale Centre</u>	
	33.	<u>Globe Road</u>	
	34.	<u>Springwell Street</u>	
	35.	<u>Springwell Lane</u>	
	36.	<u>Spence Lane</u>	
	37.	<u>Pleasant Place</u>	
6.75 miles	38.	<u>Top Moor Side</u>	For Holbeck £2.80 (peak fare) from Sharp House terminus
	39.	<u>Malvern Street</u>	
	40.	<u>Fairfax Road</u>	
	41.	<u>Back Middleton View</u>	
	42.	<u>Beeston Hill</u>	
	43.	<u>Parkfield View</u>	
	44.	<u>Cross Flatts Grove</u>	
	45.	<u>St. Anthony's Church</u>	
	46.	<u>Moorhouse Avenue</u>	
	47.	<u>Grovehall Road</u>	
	48.	<u>Dewsbury Road</u>	
	49.	<u>Helston Croft</u>	
	50.	<u>Town Street</u>	
	51.	<u>Middleton Park Grove</u>	
	52.	<u>Middleton Pk Circus</u>	
	53.	<u>Sissons Green</u>	
	54.	<u>Sissons Crescent</u>	
	55.	<u>Throstle Lane</u>	
	56.	<u>Throstle Street</u>	
	57.	<u>Throstle Road</u>	
	58.	<u>Throstle Lane</u>	
	59.	<u>Thorpe View</u>	
	60.	<u>Acre Square</u>	
11 miles	61.	<u>Middleton Arms</u>	Terminus £2.80 (peak fare) from Sharp House terminus

*N.B. Distances are approximate.*

## 74/74A bus service failures December 2011 - December 2012

G P Good - 13 January 2013

The attached schedules list those services of the 74/74A bus routes that failed to run, as experienced directly by me and/or by my wife, or as reported to us as having failed to run by friends or neighbours. The section of the 74/74A route concerned is the half that runs from Sharp House Terminus, Belle Isle, to Leeds City Centre.

Those missed services experienced directly by me or by my wife were duly reported to Metro (0113 2457676) for logging (especially of the failed tendered services) and referral to First Leeds for explanation.

Of the 37 failures experienced directly by me or my wife, which we reported *via* Metro for explanation, the reasons given by First Leeds's Hunslet Park Depot can be summarised as follows:

16	vehicle faults
12	staffing problems
7	Roadworks, heavy traffic, road traffic accidents
2	disputed ("ran but 'X' minutes late")

Thus, of the 37 failures, 28 (16 + 12) were due to factors under the control of First Leeds.

Also of interest in the attached schedules is the lack of use made by First Leeds of the facility to report missed services as "**Cancelled**" on Metro's **Real Time Information System**. Of the 37 missed services noted above, only **three** were reported as "Cancelled". (The attached schedule also shows in addition four services in the period October 2012 to December 2012 which I observed on the Real Time System as "Cancelled", but which I did not try to catch, so did not experience directly as failures and so did not report to Metro.)

The unreliability of First Leeds's 74 & 74A in recent years has been such that if my wife or I have medical or dental appointments or are visiting the theatre or cinema, we take a bus half an hour or an hour earlier than should be needed, in case a 74 or 74A fails us. For morning medical appointments we make doubly sure of arriving on time by booking a taxi, because our First Leeds bus service simply cannot be relied on. Another important consideration in this regard is that First Leeds cannot be relied on to report its failed services as "Cancelled" on the Real Time System.

**Failures of 74/74A bus services December 2011 to December 2012 (On that half of the service covering Sharp House Terminus to City Centre)**

G P Good  
13 Jan 2013

Date	Time	Service	From	To	Event	Reported to Metro	"Cancelled " per Real Time display?"	First's reason for failure
Monday 5 Dec 2011	12.13	74	City	Sharp House	Failed to run	✓	No	Road traffic accident
Tuesday 7 Feb 2012	08.38	74	Sharp House	City	Failed to run	✓	No	Vehicle fault
Wednesday 22 Feb 2012	07.33	74	Sharp House	City	Failed to run	✓	No	Vehicle fault
Monday 19 Mar 2012	11.24	74	Hunslet	Sharp House	Failed to run	✓	No	Relief driver late
Saturday 24 Mar 2012	12.43	74	Sharp House	City	Failed to run	✓	No	"Bus late, so adjusted to return to service time"
Monday 26 Mar 2012	12.13	74	Boar Lane	Sharp House	Failed to run	✓	No	Heavy traffic
Monday 26 Mar 2012	12.43	74	Boar Lane	Sharp House	Failed to run	✓	No	Ticket m/c fault
Thursday 5 Apr 2012	18.53	74A	Sharp House	City	Failed to run	✓	No	"did run, but with a delay of around 15 mins."
Saturday 7 Apr 2012	11.41	74	Infirmiry Street	Sharp House	Failed to run	✓	No	Driver ran in without permission.
Wednesday 2 May 2012	09.43	74	Sharp House	City	Failed to run	✓	No	Vehicle fault
Sunday 6 May 2012	10.43	74A	Sharp House	City	Failed to run	✓	No	"Staff sickness problem"
Sunday 6 May 2012	12.16	74A	Boar Lane	Sharp House	Failed to run	✓	No	"Staff sickness problem"
BH Monday 7 May 2012	10.43	74A	Sharp House	City	Failed to run	✓	No	"Major admin. failure"
Friday 11 May 2012	10.13	74	Sharp House	City	Failed to run	✓	YES	Vehicle fault
Wednesday 6 Jun 2012	12.43	74	Boar Lane	Sharp House	Failed to run	✓	No	Road traffic accident
Sunday 17 Jun 2012	12.17	74A	Corn Exch. K5	Sharp House	Failed to run	✓	No	Breakdown
Tuesday 26 Jun 2012	18.03	74	Hunslet Centre	Sharp House	Failed to run	✓	No	Vehicle fault
Wednesday 27 Jun 2012	10.43	74	Sharp House	City	Failed to run	✓	No	Vehicle fault
Friday 6 Jul 2012	14.24	74	Hunslet Centre	Sharp House	Failed to run	✓	No	"Due", then this 74 disappeared from display.

**Failures of 74/74A bus services December 2011 to December 2012 (On that half of the service covering Sharp House Terminus to City Centre)**

G P Good  
13 Jan 2013

Date	Time	Service	From	To	Event	Reported to Metro	"Cancelled" per Real Time display?	First's reason for failure
Saturday 7 Jul 2012	10.43	74	Sharp House	City	Failed to run	✓	No	Vehicle fault
Monday 16 Jul 2012	16.11	74	City	Sharp House	Failed to run	Anecdotally, per Lorraine	System counted minutes down, then this 74 disappeared from system	Vehicle fault
Thursday 19 Jul 2012	11.43	74	Sharp House	Middleton	Told to get off at M2 in Vicar Lane by driver - no relief available. So 12.07 failed	✓	No	Staff shortage
Monday 30 Jul 2012	7.03	74	Sharp House	City	Failed to run	Anecdotally, per Zena		
Monday 31 Jul 2012	7.03	74	Sharp House	City	Failed to run	Anecdotally, per Zena		
Friday 3 Aug 2012	13.11	74	City	Sharp House	Failed to run	Anecdotally, per Val		
Wednesday 15 Aug 2012	8.03	74	Sharp House	City	Failed to run	Anecdotally, per Julie.		
Tuesday 21 Aug 2012	12.41	74	City	Sharp House	Failed to run	Anecdotally, per Pat		
Tuesday 21 Aug 2012	14.11	74	City	Sharp House	Failed to run	✓	No	Staff shortage
Friday 24 Aug 2012	11.13	74	Sharp House	City	Failed to run	✓	No	Vehicle fault
Friday 24 Aug 2012	11.41	74	Infirmary Street	Sharp House	Failed to run	✓	No	"Ran 10 mins late" (!)
Friday 24 Aug 2012	12.11	74	Infirmary Street	Sharp House	Failed to run	✓	No	20 mins late at Middleton. so the depot's control desk cancelled this 12.11 service.
Monday 17 Sep 2012	9.08	74	Sharp House	City	Failed to run	✓	No	Staff shortage
Monday 17 Sep 2012	11.13	74	Sharp House	City	Failed to run	Anecdotally, per Pat & Trish		
Monday 17 Sep 2012	13.43	74	Boar Lane	Sharp House	Failed to run	✓	No	Vehicle fault
Monday 17 Sep 2012	14.43	74	Boar Lane	Sharp House	"Cancelled" on R/Time system	✓	YES	Staff shortage
Tuesday 18 Sep 2012	8.38	74	Sharp House	City	Failed to run	Anecdotally, per Tracey		
Monday 24 Sep 2012	10.41	74	Infirmary Street	Sharp House	"Cancelled" on R/Time system	✓	YES	Vehicle fault
Monday 24 Sep 2012	11.13	74	Sharp House	City	Failed to run	✓	No	Vehicle fault
Wednesday 26 Sep 2012	18.51	74	City	Sharp House	Failed to run	Anecdotally, per Tracey		
Saturday 29 Sep 2012	19.15	74A	Infirmary Street	Sharp House	Failed to run	Anecdotally, per Jean		

**Failures of 74/74A bus services December 2011 to December 2012 (On that half of the service covering Sharp House Terminus to City Centre)**

G P Good  
13 Jan 2013

Date	Time	Service	From	To	Event	Reported to Metro	Anecdotally, per Tracey	"Cancelled" per Real Time display?	First's reason for failure
Thursday	4 Oct 2012	20.15 74A	City	Sharp House	Failed to run				
Friday	5 Oct 2012	9.41 74	Infirmiry Street	Sharp House	Failed to run	(Observed on RT system)	YES	"CANCELLED"	
Tuesday	9 Oct 2012	10.43 74	Sharp House	City	Failed to run	✓	No		"Earlier delays" led to driver cutting out 3 miles from Sh House to Hunslet and resuming service from Hunslet!
Thursday	18 Oct 2012	7.33 74	Sharp House	City	Failed to run	✓	No		Vehicle fault
Sunday	28 Oct 2012	14.15 74A	Infirmiry Street	Sharp House	Failed to run	Anecdotally, per Pat			
Friday	2 Nov 2012	18.51 74	Infirmiry Street	Sharp House	Failed to run	(Observed on RT system)	YES	"CANCELLED"	
Monday	5 Nov 2012	17.33 74	Hunslet Centre	Sharp House	Failed to run	✓	No		Staff shortage
Monday	5 Nov 2012	18.03 74	Hunslet Centre	Sharp House	Failed to run	✓	No		Staff shortage
Tuesday	6 Nov 2012	10.13 74	Sharp House	City	Failed to run	✓	No		Vehicle fault
Monday	12 Nov 2012	10.24 74	Hunslet Centre	Sharp House	Failed to run	Anecdotally, per Lorraine			
Wednesday	14 Nov 2012	18.21 74	City	Sharp House	Failed to run	Anecdotally, per Tracey			
Sunday	18 Nov 2012	11.43 74A	Sharp House	City	Failed to run	✓	No		"Abbey Dash" caused hold ups. "service ran at 12.09"
Tuesday	20 Nov 2012	11.11 74	Infirmiry Street	Sharp House	Failed to run	(Observed on RT system)	YES	"CANCELLED"	
Friday	7 Dec 2012	19.04 74	Hunslet Centre	Sharp House	Failed to run	(Observed on RT system)	YES	"CANCELLED"	
Friday	14 Dec 2012	10.43 74	Sharp House	City	Failed to run	Anecdotally, per Jean & per Tony			
Tuesday	18 Dec 2012	11.43 74	Sharp House	City	Failed to run	Bus broke down at terminus			Vehicle fault



To members of the Leeds City Council Scrutiny Board (Sustainable Economy and Culture)

## **ABOWY – CONSIDERATIONS AHEAD OF 31 JANUARY 2013 INQUIRY ON BUS SERVICES IN LEEDS**

First of all, on behalf of bus operators in Leeds and the wider area, we should like to thank Leeds City Council for inviting the Association of Bus Operators in West Yorkshire (ABOWY) to its Scrutiny Board (Sustainable Economy and Culture) Inquiry on bus services in Leeds.

To confirm, Keith McNally, Chairman of ABOWY, will attend the Inquiry, and will be accompanied by both Nigel Featham and David Alexander, heads, respectively, of Arriva and First Bus in Yorkshire, plus Andrew Stirling of Ross Travel, representing smaller operators.

As noted, the main aim of the Inquiry is to explore how to increase bus patronage in Leeds. It goes without saying that this objective is paramount to bus operators – no business wants to experience a dwindling customer base.

It's important to understand the decline and to be aware of the nature and complexity of the reduction in bus patronage. The rise in car ownership and reduction in the cost of motor ownership were primary contributors in the decline of bus patronage from the 1950s onwards, and a number of other factors, such as increasing traffic congestion and macro-economic trends (distance travelled to work/geographical and travel time patterns etc) have also had a marked effect.

The default 'year zero' for bus patronage comparisons is inevitably 1986 ('bus patronage has declined out of all proportion since privatisation'). However, a more scientific and evaluative analysis of patronage figures is vital when looking at how to *increase* bus patronage. If, for example, we took bus patronage in Leeds in the past decade, then the number of bus passenger journeys has actually increased on many routes, and stabilised overall.

If we may, and to aid the inquiry, we have used two key topic headings from the invitation letter to present our top line observations. We appreciate that the scope of the inquiry may not address all of these points, but we offer them as a snapshot of the key considerations facing the bus industry as we, too, explore how we can increase bus patronage. We trust that this approach may provide beneficial in focusing debate.

Cont/d

## 1. Improve journey times and the reliability of public transport

Passengers suffer if bus services (public transport in general) are inconsistent, late, overdue, take longer to arrive than scheduled. The economic impact on the city and the region is significant if such conditions prevail, and there is no doubt that uncertainty over journey times and reliability adds to the burden of travel stress for an already pressurised worker, parent, citizen going about their daily lives.

From a bus operator point of view, of course, the inability to deliver services on schedule - reliability - has a negative financial impact as well as depleting brand goodwill towards operators – clearly not in our interests.

### 1.1 How do we define 'unreliable'?

One of the major frustrations bus operators face is to hear or read that buses are 'unreliable' when in fact, against very exacting circumstances, performance levels are consistently high.

How 'unreliable' and inefficient are bus services in reality? What is the current performance level and where does it need to be? What's 'good', 'bad', and 'average' in this context?

Operators zealously collate daily data on operational performance. Clearly we aim to be 100% reliable. In fact, average 'performance accuracy' for the majority of operators on route and journey time is over 90%.

Why does this misconception persist? Partly because it's an anecdotal 'truth' that's easy to promote if, for example, a passenger has a poor experience, partly because, on ideological 'public vs. private provision' grounds it suits opponents to cite truisms without producing any hard 'evidence' to support their case, and partly because bus operators have been slow to promote the actual 'delivered' statistics.

Why should operators be slow to 'defend' their performance? There are a number of factors. Firstly, as competitors, operators' reliability and punctuality data sharing isn't as widespread as it should be. Secondly, given the number and size of operators providing bus services in Leeds and surrounding districts, it has been difficult to speak with one voice (making it easier for a counter-argument to be built based on 'the lowest common denominator'). Thirdly, operators have been largely reluctant to publicly face down accusations of unreliability, not least as a number of aspersions cast on bus operators' performance actually emanate from contract providers (as any media trawl will

demonstrate) making it difficult for operators, on commercial grounds, to engage in a public quarrel.

Cont/d

The creation of ABOWY will hopefully help to address these omissions in the future. Please be assured, we intend to put the record straight on performance in future with accurate, in-depth data collated across a number of operators in a bid to stop the perpetuation of what we consider the 'unreliability' myth.

From a commercial point of view, every incremental improvement in circumstances that allows for quicker journeys and optimum reliability is in our interests. We invest £millions each year in buses, drivers, staff, training, marketing and analysis to maximise journey times and reliability.

## 1.2 Factors impacting on bus patronage

Regarding how to increase bus patronage, operators have spent decades and £millions in investment to address this challenge.

Traffic volumes, congestion and other influencing factors such as weather can be unpredictable, so operators deploy between 5 to 10% of available resources each day to mitigate for this and ensure efficiency targets - reliability - can be met.

**Traffic congestion** is the bus operator's greatest enemy. How can this be reduced? More bus lanes, more bus priority measures such as traffic light priority, improved parking controls and enforcement, and fewer road works all have a marked bearing. Not only could reliability and journey times be improved through reduced road congestion, there would be an immediate and significant impact on reduced CO2 emissions.

**Fares** are obviously central to this conundrum - in some respects this is the classic 'chicken and egg' poser: 'reduce fares and more passengers will travel' versus 'get more people on the buses and fares can then be reduced.' In actuality, and again in the face of anecdotal 'fact', bus fares in Leeds have kept in line with inflation over the past 5 years.

If bus patronage increased, operators could accord more flexibility over fare prices, season and multi-travel ticket options. Operators already offer a variety of deals and options and bus travel still represents high competitive value over car and rail, but more can be achieved particularly if traffic delays could be quelled.

On **ticketing**, bus operators presently offer a Metrocard for cross-region, multi-operator use in West Yorkshire and this is generally acknowledged as being one of the most successful and welcome ticket solutions offered to bus passengers in the whole of the UK.

However, we are aware that the West Yorkshire Integrated Transport Authority (WYITA) for example has called for bus services 'similar to the public transport system that operates in London and most European cities' while citing an Oystercard type solution (it is worth noting that this 'Oyster type functionality' is included within partnership proposals for WYITA developed by ABOWY).

Obviously there is a clear historical precedent and a significant level of public funding involved in providing such services in London and other European cities. As many of the larger bus operators in the region are actually running bus services in London and leading European cities, we believe we have considerable knowledge and experience to add to this discussion.

## **Routes**

Ongoing route planning and frequency is central to providing an effective bus service, and a critical element in boosting passenger patronage. In line with this, ABOWY has drawn up a proposal, presented to WYITA, to review the full route network in the region in conjunction with the PTE, District / City Councils (including Leeds), members and operators while also taking account of a full public consultation. We would be happy to go into this proposal in more detail should the Inquiry wish to do so.

It should be noted that the Area Bus Network Review Programme currently being conducted by Metro is a review of tendered / subsidised bus services in Leeds and not a far reaching all inclusive network assessment such as proposed by ABOWY.

## **2. A Bus Quality Contract Scheme for West Yorkshire**

It's no exaggeration to state that the proposed QBC will have far reaching consequences for all involved in bus transport, not least the actual bus travelling passenger.

In ABOWY's opinion, the proposal to introduce a Quality Bus contract (QBC) scheme in West Yorkshire is highly contentious. Whatever decision is finally taken on a QBC by WYITA, bus services in Leeds will be directly affected. It is also worth noting that given the importance of cross district service provision an isolated stance for a QBC in Leeds only would be impossible to deliver.

### **2.1 A QBC will be detrimental to the bus travelling passengers of West Yorkshire**

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Cont/d

In our view, there are considerable grounds for doubting a QBC will improve bus transport in the region, or in Leeds specifically. We believe that the case for a QBC remains highly theoretical and unsubstantiated and that the decision, made by the WYITA in June 2012, to discontinue partnership discussions with ABOWY over improving bus transport in the region is both premature and disadvantageous to the taxpayer. In short, and in ABOWY's opinion, a QBC will be ultimately detrimental to the bus travelling passengers of Leeds and the wider West Yorkshire region

We note (WYITA Agenda No. 15 of 29 June 2012) that the WYITA is mindful that 'operators are likely to view a Quality Contract Scheme as a threat to their current businesses' and, furthermore, WYITA's acknowledgement that 'operators (will have) understandable concerns about potential loss of business.'

While that observation has some validity, this is not our members' primary concern over a QBC – after all, as private operators tendering for services under existing transport legislation, bus operators in the region are already subject to strict performance criteria where failure to meet contract standards equally threatens operators' businesses. This is an important distinction, as it is all too easy to classify any opposition to the proposed QBC by bus operators as being motivated purely by self-interest.

## 2.2 Is a QBC actually warranted?

Quality Contracts can only be introduced where a local transport authority, or two or more such authorities acting jointly, are satisfied that:

- *Making a Quality Contracts scheme is "the only practicable way" of implementing the policies set out in their bus strategy or strategies in the area to which the proposed scheme relates, and The proposed scheme would implement those policies in a way which is economic, efficient and effective*

ABOWY is of the opinion that neither of these grounds has been satisfactorily established by WYITA. Firstly there is a strong partnership proposal, drawn up by ABOWY and still on the table, which would, in our opinion, achieve better results for the bus passengers of West Yorkshire.

Secondly, to date, WYITA has been unable to demonstrate that it has in fact evolved a more 'economic, efficient, and effective' scheme to implement its policies via a Quality Contract Scheme.

## 2.3 Pursuing a QBC scheme entails a number of risks

The Association of Bus operators in West Yorkshire  
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WYITA has determined to pursue a Quality Contract scheme despite, according to its own assessment, the many risks the scheme contains for the Authority and therefore the bus travelling passengers of Leeds and West Yorkshire.

For example, WYITA acknowledges (in Agenda no 15 *passim*):

*'The Competition Commission recognised Bus Quality Contract Schemes as a legitimate remedy but preferred a range of other measures...'*

*'A set of preliminary forecasts prepared by independent consultants indicate that a business case is likely to exist for both a partnership approach, based on the ABOWY submission, and a Quality Contract Scheme, based upon the parameters established by the Authority.'*

*'The Authority has been advised previously that there are significant risks in both developing and managing a Bus Quality Contract Scheme.'*

*'The West Yorkshire branch of the Campaign for Better Transport have previously expressed their support for a partnership approach as an alternative to a Bus Quality scheme, whilst acknowledging that there is still some debate among their members on which approach is most appropriate.'*

WYITA also acknowledges that *'such a course of action may well be open to legal challenge.'*

#### 2.4 'Dis-benefits' of a QBC

In addition, WYITA's own 'option analysis' (Agenda Item 15, Appendix 3) cites that a Bus Quality Contract Scheme would have the following 'dis-benefit':

*Jeopardising working relationships with operators, with the risk of adverse impacts on customers;*

*Increasing short and longer-term risk to the Authority, who in the longer term would be responsible for decisions on fares and service levels;*

*Incurring additional costs in scheme development;*

*Exposing the Authority to risk of legal challenge and delay;*

*Possibly jeopardising bidding for a Better Bus Area status, devolution of BSOG and additional funding (although it may be possible to bid for this status and*



*funding within a quality contract scheme). Note: DfT has since made it clear that this wouldn't be possible.*

Cont/d

ABOWY would respectfully question on what grounds these risk factors could be eventually deemed acceptable or manageable?

## 2.5 How Will WYITA actually run bus transport following a QBC?

WYITA acknowledges that it currently possesses no infrastructure or operational expertise to run a franchised bus transport system post a QBC. Clearly, to do so will require the considerable additional expense of a dedicated management tier. On the rationale produced by WYITA to date on the value of a Bus Quality Contract Scheme there is scant reference to how adding the cost of an extra layer of bureaucracy – as ‘franchisor’ - would lead to increased patronage, more competitive fares or better services (other than the suggestion that this will somehow be funded out of margins that would otherwise accrue to private bus operators).

## 2.6 Lack of a business case for a QBC

No detailed business case has yet been developed for how WYITA would run a QBC *economically, efficiently, effectively*. While WYITA can argue that it is to commission a detailed feasibility study as part of the process going forward, ABOWY is of the opinion that such a detailed business case should have been undertaken and assessed *before* the decision to proceed down the QBC route was taken.

## 2.7 Cost to the taxpayer

The next stage of the QBC process is a consultation period, followed by a Public Interest Statement. By WYITA's own estimates, and at a time where the WYITA has just cut funding by £3m for tendered service in the region, the overall QBC process could take four years to complete and will cost in the region of £3m of taxpayers' money to implement. A further sum can be added to this cost calculation - some £3m worth of investment planned by operators over the next three years into improving services in West Yorkshire is now at risk as the operators making this level of fresh investment into the region may not form part of the service solution post the proposed Quality Contract tender.

## 2.8 Will fares be increased further and more routes cut under a QBC?

In addition, WYITA has not been able to demonstrate how it will protect fares and services should, under a QBC, it become ‘franchisor’. Having removed bus operators from the front line of commercial responsibility, can the WYITA guarantee it will not increase fares or cut services if, for example, fuel costs were

to rise exponentially at some point in the future or if passenger numbers continued to fall? In that eventuality, WYITA could well be forced to fund the continuation of bus services at a *greater* cost to the taxpayer in the future, or have to *increase* fares/cut costs to meet budgets. Cont/d

## 2.9 The Partnership proposal

The partnership proposal made on behalf of West Yorkshire bus operators via ABOWY went a considerable way towards addressing key issues identified by WYITA as being integral to its transport strategy, including integrated ticketing, consistent customer service standards, competition for the market, a better framework for long term partnership.

That proposal was rejected by WYITA in June 2012. However, in recent months, further dialogue has been entered into between leading bus operators and proponents of the QBC scheme (WYITA, Metro) to explore how certain areas of the partnership proposal can be explored further. Those discussions remain ongoing at the present time and, we believe, represent the best hope of improved bus services in Leeds and the rest of the West Yorkshire region.

Bus operators make considerable investment into the region and undertake financial risks to deliver services. Operators are major employers and help to keep the economy and the community on the move, quickly, cheaply and efficiently. Despite accusations to the contrary, bus operators are not always profitable, but nevertheless take a long-term view.

We take our responsibilities as provider of bus transport to the region exceptionally seriously and have much to contribute.

We appreciate our views being sought in this Inquiry, and have tried to flag up the operators' perspective as succinctly and as openly as we can.

We look forward to contributing to this process.

**Keith McNally**  
Chairman, ABOWY



## **Submission from First Leeds**

### **EXECUTIVE SUMMARY**

#### **1 Background**

- 1.1 Under current law bus operators determine which routes and journeys they will operate on a commercial basis and the local authority has the responsibility for providing under contract those journeys considered socially necessary but not provided by the operator. Currently 97.2% of First's network in Leeds is operated on a commercial basis. This will increase to c98.25% in April

#### **2 The Role of WYITA**

- 2.1 As well as supporting socially necessary services WYITA, through its Executive Metro, takes responsibility for infrastructure, bus stations, and publicity and its distribution

#### **3 Fares**

- 3.1 In setting fares First aims to make sufficient profit to support an investment programme and a regular supply of new buses.
- 3.2 Fares charged by First have risen 54% between 2004 and 2012 which is above RPI. However transport based costs have risen in the same period by 55.1%.
- 3.3 The cost of fuel has increased in the period by 142%. Rebate of fuel tax has been reduced by 20%.
- 3.4 Amongst other changes First has recently simplified fares introducing
- A short hop fare
  - Leeds Green Week ticket
  - Child weekly ticket
  - "Bus for Jobs" travel for job seekers

#### **4 Ticketing**

- 4.1 First has invested £2.6m in new ticket machines enabling the move towards Oyster style ticketing by the end of 2013.
- 4.2 First has joined with other operators to introduce ticket inter availability on the A65 corridor

#### **5 Journey Times**

- 5.1 Congestion reduces the attractiveness and reliability of bus services. First provides extra peak time buses to counteract traffic congestion at a cost of £3.5m p.a. and congestion adds 10% to First's total costs in Leeds
- 5.2 Scheduled service running times have increased by 30% over the last 35 years.
- 5.3 Joint ventures between First Leeds City and Metro have resulted in the successful introduction of Guided bus ways on Scot Hall and York Roads and improvements on the A65 to reduce journey times and increase passengers.

## **6 Reliability**

- 6.1 Punctuality of First's services improved from 90.4% to 91.99% between 2010 and 2012 but largely due to congestion reliability declined from operation of 98.17% to 97.45% of all scheduled miles over the same period.

## **7 Routes**

- 7.1 First has implemented a programme of increasing frequencies on core services with 18 services now operating at least every 10 minutes on Mondays to Saturday day times. 98 new and 204 refurbished buses went into service on these routes in 2012 all with the latest engine design to reduce pollutants.
- 7.2 Service 72 has been re-launched as Hyperlink with newly refurbished buses equipped with leather seats and wi-fi and at an increased frequency of every 7/8 minutes.
- 7.3 Following withdrawal of funding for the free City Centre Bus First has operated it at a 50p flat fare without subsidy since early 2012.
- 7.4 First has implemented short notice service changes in response to public requests such as Service 4 and 86.

## **8 Opportunities for Increased Bus Usage**

- 8.1 There has been an increase in bus passengers in West Yorkshire of 3.1% between 2010 and 2012. First has experienced similar increases in Leeds.
- 8.2 Independent surveys by Passenger Focus have recorded 83% passenger satisfaction with First's Leeds services.
- 8.3 Elimination of congestion provides a great opportunity for passenger growth. First is willing to invest any savings from the reduced congestion cost in increased service frequencies or fares propositions.

## **9 Role of Highway Authority**

- 9.1 First is keen to work in partnership with Leeds' Highways to reduce congestion and punctuality of its services have benefited from recent bus lane enforcement.

## **10 Area Bus Network Review**

- 10.1 Following a review with Metro First has offered to operate commercially from April 2013 in Leeds a number of journeys previously under contract at an annual cost to First – and saving to Metro – of c£1m.

## **11 Overview of Quality Contracts and Proposed Quality Partnership**

- 11.1 Under a Quality Contract Metro would design the network of services ticket types and specify the age type and size of bus for each service. Operators would bid to operate the services. Metro would take the financial risk.
- 11.2 A similar system applies in London where the cost was £720m in 2010/11 and public expenditure per head on bus services was nine times that of West Yorkshire. Only 70.4% of costs are recovered from fares in London compared with 93% in West Yorkshire.
- 11.3 Unexpected increases in costs – such as fuel – or shortfall in fares revenue would have to be met by Metro as opposed to the operator under a Quality Contract.

- 11.4 It would take approximately three years from announcement to implementation of a Quality Contract. A Partnership could be introduced almost immediately and operators in West Yorkshire are keen to introduce a binding partnership with Metro.
- 11.5 A Partnership would be able to achieve improvements in services - such as Oyster style ticketing service and fares stability – identical to those that could be achieved under a Quality Contract but in a much shorter time scale and without risk of increased public expenditure. Sizeable passenger growth has occurred in a number of towns and cities in Britain where operators and local authorities have worked in close partnership
- 11.6 Potential additional public funding through devolvement of BSOG distribution would not be available under a Quality Contract.

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## **Submission from First Leeds**

### **Response to Leeds Bus Scrutiny**

#### **1 Background**

- 1.1 Provision of local bus services is governed by the Transport Act 1985, which deregulated services. An operator is able to register with the Traffic Commissioner the intention to provide a bus service detailing the route frequency stopping places and times of operation. Local authorities – in this case West Yorkshire PTE (Metro) – are responsible for providing services that are considered socially necessary but are not provided on a commercial basis by operators. Metro lets contracts for the operation of socially necessary services.
- 1.2 It follows that a bus operator's success depends on the attractiveness of the service that they offer. The more the service is used by the public the more successful the operator will be. Reliability punctuality directness and value for money are key elements in the provision of a good service.
- 1.3 Currently 97.2% of First's network of services in West Yorkshire is operated on a commercial basis. A process of network reviews throughout West Yorkshire with Metro has resulted in some contracted journeys being operated by First on a commercial basis and is being extended to Leeds. (See 10 Area Bus Network Reviews below)
- 1.4 Following the changes the proportion of First's operations in Leeds that are commercial will be c98.25%

#### **2 The Role of WYITA**

- 2.1 In addition to supporting the operation of socially necessary services WYITA through its Executive (Metro) takes responsibility for:
  - Infrastructure – bus stops and shelters
  - Bus Stations
  - Production and distribution of publicity to a standard format

#### **3 Key Issues – Fares**

- 3.1 Operators are responsible for setting the fares charged on bus services. In setting the fare levels First aims to achieve profit on individual routes and sufficient cumulative profit to support an investment programme and a regular supply of new buses.
- 3.2 Fares have risen by 54% between 2004 and 2012 which is higher than the general rate of inflation as measured by RPI. However bus operators have faced cost increases such as fuel that is not generally included in the RPI basket. Transport based costs in the Northern Region as compiled by Confederation for Passenger Transport (CPT) show a 55.1% increase over the same period.

- 3.3 The need to recover increased costs when public sector subsidies are being reduced as local authorities pursue their respective austerity agendas has coincided in recent years with a greater pressure on First to enhance fares and ticketing arrangements such as the child concessions resulting in a significant challenge.
- 3.4 Reported average fuel costs increased by 142% in the same period. BSOG (Bus Service Operators Grant paid to operators as a proportion of fuel duty on fuel used) has been reduced by 20% in 2012.
- 3.5 Fuel typically used to be 4-5% of a bus operator's total costs. It is now 15%.
- 3.6 First has successfully reduced its operational costs but other than attempting to reduce fuel costs by "hedging" has little alternative but to pass on the cost to customers through fares increases. First has invested in alternative fuel technologies to further reduce the cost of providing bus services.
- 3.7 First has simplified fares and increased their attractiveness to alleviate the effect of fares increases. These include:
- The introduction of a short hop fare. The lowest fare was increased from 90p to £1 in 2010 and the £1.20 fare reduced to £1. The "short hop" fare has not been increased since and has proved attractive. Sales have increased by nearly 35% and the fare is used by almost 15% of all on-bus fare payers in Leeds.
  - Promotion of the Leeds Green week ticket. Withdrawal of the previous Leeds weekly ticket in 2010 and the extension of the area served by the Leeds Green ticket resulted in many passengers benefiting from a reduction in the cost of a week's travel from £17 to £12 – a drop of 30%. 22.1% of all on-bus fare paying passengers now uses a Leeds Green week ticket in the City.
  - First has been a prime mover in the promotion of Metrocard products revenue from which has increased by 9% between 2010 and 2012 with bus only revenues of c£18m
  - First introduced a new Child Weekly ticket in Leeds in September 2012 at £8 with a special offer of £5 during school holidays. Previously only a Child Day ticket had been available at £2.
  - First accepted a lower reimbursement level for Child Concessionary fares in April 2012 which results in annual payments to First being reduced from approximately £6.5m to £4.8m.
  - General fares increases have been limited to once per year.
  - In January 2013 First will introduce the Bus for Jobs scheme enabling persons who have been unemployed for between three months and a year to travel free.

#### **4 Key Issues – Ticketing**

- 4.1 First has identified that a simple fare structure with tickets designed to suit customer requirements similar to the "Oyster Card" is a key part of providing a good service and value for money to the customer.

- 4.2 First has invested £2.6m in a new ticket machine system for West Yorkshire. The system uses “smart” technology and will enable the introduction of the ‘Oyster style’ ticketing that will help passengers to purchase the tickets that most suit their needs and will also pave the way for a maximum daily cap to be applied ensuring that customers making multiple journeys benefit from appropriate discounts.
- 4.3 It also paves the way for inter availability of tickets between operators on specific corridors. From December 2012 First has joined forces with Centrebus and Transdev to enable passengers to use any of the companies’ tickets on any of the buses travelling along A65 Kirkstall Road. Over 40 000 passengers weekly will benefit from the greater choice and flexibility.
- 4.4 First and other operators in Leeds are working towards the introduction of full inter availability of tickets in 2013 enabling a passenger to travel on more than one bus with one ticket regardless of the operators.
- 4.5 Introduction of smart ticketing will increase the amount of off bus ticket sales. Encouraging passengers to buy their tickets before travelling reduces the time a bus spends at stops speeds up journey times and makes the journey more attractive. It is estimated that there will be a 1.5 second saving in journey time per passenger using a smartcard.
- 4.6 Currently 18% of First’s fare paying passengers buy their ticket off the bus. Day and weekly tickets are bought on bus and if the additional journeys for which the tickets are used are taken into account the proportion of off bus sales rises to 61%.
- 4.7 Further work is being undertaken to explore the possibility of renewing tickets through the use of mobile phones and other electronic devices to further increase the proportion of off bus sales.
- 4.8 In 2011 First along with other operators in ABOWY, in partnership with Metro were successful in securing circa £5m of Dft funding to establish a West Yorkshire wide smart technology ticketing platform. A partnership governance arrangement is now in place and the project plan forecasts the introduction of multi operator fare capping as part of its implementation.

## **5 Journey Times**

- 5.1 Traffic congestion is a serious problem in Leeds and has a bearing on bus services in a number of ways. Delays and the attendant unreliability reduce the attractiveness of the service increase the cost of operation and add to pollution.
- 5.2 Scheduled service running times have increased by approximately 30% over the last 35 years because of increased traffic. This has resulted in additional cost of operating the services as in essence more and more buses, miles and drivers have been needed to be deployed as journey running times have increased. Significantly the increased running time on services using the guided bus ways has been very small illustrating the benefits provided by the bus only sections of road.

- 5.3 25 additional buses (more than 7% of the fleet) are operated in Leeds every peak period just to maintain the standard service frequency. The annual additional cost is estimated at approximately £3.5m.
- 5.4 The additional cost arising from traffic congestion is approximately 10% of First's total cost in Leeds. First cannot influence road traffic speeds but has invested in service delivery and other qualitative improvements to compliment infrastructure enhancements such as Scott Hall Road and York Road Guided Bus Ways and A65 corridor improvements. In the past First has contributed to the capital costs of such projects where considerable deployed resource savings have been able to be achieved and sustained.
- 5.5 On Scott Hall Road £10m was invested in a joint venture between First Leeds City Council who installed the guide ways bus lanes and undertook junction improvements works and Metro who provided new shelters bus stops and information. Passengers increased by 80% in the first five years of use.
- 5.6 In a £21m scheme on A65 designed to reduce delays and enable faster journey times for buses Leeds City Council has provided dedicated 24 hour bus lanes combined with bus priority at traffic signals. Metro provided new shelters with real time information whilst First equipped the routes using the corridor with a fleet of 17 new low emission buses. First is willing to contribute to road improvements at congestion points and to re-invest into higher frequencies and better services savings that result from improved bus priorities. Previous schemes

## **6 Reliability**

- 6.1 First's goal is to operate 99.5% of all scheduled journeys and for 95% of those journeys to depart and arrive at destinations within one minute early and five minutes late of their scheduled time.
- 6.2 Due mainly to traffic congestion First's reliability has declined. In 2009/10 98.63% of all scheduled miles were operated 98.17% in 2010/11 and 97.45% in 2011/12 but punctuality improved between 2010/11 and 2011/12 from 90.4% of all trips operating on time to 91.99% in 2011/12.

## **7 Routes**

- 7.1 Examples of recent improvements to routes have included:
- Re-launch of Service 72 between Leeds and Bradford as Hyperlink in October 2012 with newly refurbished buses equipped with leather seating and Wi-Fi using Customer Hosts to help passengers. Frequency had been increased previously from every 10 to every 7/8 minutes with a 19% increase in passengers.
  - Increased frequencies of Scot Hall Road services from 8 to 12 buses per hour in May 2011
  - Increased frequency of Service 40 and Service 51 from every 10 to every 7/8 minutes in 2011
  - Introduction of £1 student fare on Service 95 resulting in 48% passenger increase



- 7.2 At the end of January 2013 the frequency of Service 1 will be increased from every 10 to every 7/8 minutes on Monday to Saturday daytimes and the evening and Sunday frequency will be increased from every 20 to every 15 minutes. Service 6 will also benefit from an increased evening and Sunday frequency – from every 20 to every 15 minutes.
- 7.3 Following the withdrawal of funding for the free Leeds City Centre bus First has operated it without subsidy at a 50p flat fare since early 2012.
- 7.4 All recent service changes have been subject to consultation with metro and where required public and political consultations have taken place. Specifically First has made short notice changes following public requests
- Extension of Service 4 from Pudsey Waterloo to Galloway Lane in October 2012
  - Increase in frequency of Service 86 from Bramley to Owlcotes and Pudsey from every 60 to every 30 minutes in 2011.
- 7.4 Future service changes which are currently under consideration include the development of Service 1 and rescheduling of services on Headingley Lane and the possible increase of Service X84 from every 20 to every 15 minutes.
- 7.5 First has invested heavily in new buses. 98 new buses were placed in service in Leeds in 2012 at a cost of £18.4m. Additionally by the end of 2012/3 60% of the remaining Leeds buses will have been subject to extensive refurbishment and interior renewal.
- 7.6 First opened a new depot in Hunslet in 2008/9 at a cost of £10m.
- 7.7 The average age of First's fleet has been reduced from 9.7 years in 2003/4 to 8.3 years in 2008/9 and 7.9 years in 2012/3. The newer buses have the latest environmentally friendly engines with reduced pollutants. Additionally 22 new hybrid buses went into service on Service 7/A on Scot Hall Road which release 35% less carbon emissions into the atmosphere.
- 7.8 It is planned that the number of new buses for 2013/14 will be similar to those introduced in 2012/13
- 7.9 During 2012/13 First has re-established a local Leeds identity and has re-launched 204 of its buses on 18 services as part of its High Frequency Service Programme. This is a root and branch review of the performance and service delivery quality of each of First's primary routes within its networks. Passenger journey growth associated with this and our commercial fares strategy through 2012/13 has resulted in passenger journey growth of between 1 and 3% in different sectors of the city. Individual service passenger growth rates have been significantly more than this in some cases where the improvements have had longer to establish themselves in the current year.

## **8 Opportunities for Increased Bus Usage**

- 8.1 Bus passengers increased in West Yorkshire from 178.4m in 2010/11 to 184.0m in 2011/2 an increase of 3.1% according to figures supplied by the local authorities. First's passenger numbers indicate a small increase of 2.3% in 2011/12 and a smaller increase of 1.3% in 2012/3 so far.

- 8.2 Key factors in increasing passenger numbers are reliability, punctuality, journey speed and value for money for the customer. Independent surveys conducted by Passenger Focus in 2012 on First services in Leeds indicated 83% of passengers were satisfied or very satisfied with their bus service.
- 8.3 The greatest opportunity for increased bus usage lies in reducing congestion and reducing journey time. First is also increasing off bus ticket sales to speed up passenger boarding times and will continue to implement the various stages of its smart ticketing strategy in an effort to improve the situation further.
- 8.4 Elimination of congestion points through provision of:
- bus ways
  - bus priorities at busy junctions
  - traffic signal priorities
- Would produce benefits of increased speed reduced journey times greater reliability and more attractive journey times for passengers.
- 8.5 Reduced journey times would reduce costs of operation which would result in lower fares and further growth in passengers. First is willing to invest savings derived from reduced congestion in increased frequencies or fares propositions which would further increase passenger volumes. Increased passengers would reduce congestion increasing the attractiveness of the bus further and reducing pollution; a truly virtuous circle.

## **9 Role of Highway Authority**

- 9.1 Not only can the local Highway authority work in partnership with the bus operator to reduce congestion and speed up bus services as outlined in 8.4 but can assist in bus lane enforcement. First is pleased to have benefited from the improvement of one minute in journey times between July 2011 and 2012 as a result of bus lane enforcement by the City.
- 9.2 Co-ordination of highway and utility works and good advance notice of forthcoming delays would greatly assist First to maintain reliability for the benefit of the passenger or publicise alternative arrangements in the event of road closures.
- 9.3 First has benefited in Bristol from the joint use with the City Council of the traffic control centre which has enabled a swifter response to ad hoc traffic problems and looks to develop similar close working relationships with Leeds City Council.
- 9.4 In the Transport for Leeds Study 2010 it was estimated that business in Leeds would receive £1bn. in productivity benefits over 60 years if bus journey times were reduced by 15-20%. A further £305m of benefits would be generated for firms located outside Leeds.
- 9.5 First would benefit directly. As indicated in 5.3 the cost to First of peak time congestion in Leeds is of the order of £3.5m per annum

## **10 Area Bus Network Review**

- 10.1 First has participated in discussions with Metro on the Leeds Bus Area Network Review, reviewing services and journeys secured by contract and to minimise payments. The objective is that core high frequency services will be operated without any public financial support and secondary services (largely core) will be operated mainly without support but with the minimise payments to support journeys operated at quiet times. Similar changes were implemented in Bradford in April 2012.
- 10.2 As a consequence First has offered to operate commercially a number of journeys that had previously been under contract to Metro at an annual cost – and saving to Metro – of c£1m. It is anticipated the changes will be introduced in the first three months of 2013.

## **11 Overview of QC Scheme and details of Proposed Quality partnership**

- 11.1 A Quality Contract Scheme would involve Metro inviting tenders from operators for the operation of a number of routes within Leeds. Consequently the financial risks of operation would be transferred from the bus operators to Metro which could result in higher taxes on Leeds residents to meet shortfalls in revenue or unexpected cost increases for instance in the price of fuel. South Yorkshire ITA rejected pursuit of a Quality Contract because a ten year Quality Contract would see SYITA locked into a costly deal where one of the most significant risks during its operation would be that the network revenue was below expectation.
- 11.2 Bus services would be designed by Metro, who would determine fares and ticket types and would specify the type age and size of bus to be used on each of the services and would determine the structure of the bus network generally.
- 11.3 A similar system is operated in London under TfL. However the average expenditure per head of population in London is nine times that expended by Metro on bus services in West Yorkshire, with only 70.4% of operational costs being recovered from fares and concessionary fares payments. This compares with 93% in PTE areas. The cost of the contracted bus services in London in 2010/1 was £720m. The additional public expenditure in London is partly funded by contributions from congestion charging
- 11.4 It will take approximately three years from the date of announcement of the intention to introduce a Quality Contract to satisfying statutory requirements prior to introduction. A Quality Partnership does not need to meet statutory requirements and can be introduced at short notice avoiding any delays. The benefits of a Quality partnership between ITA and operators could start to be delivered almost immediately after its introduction. Additional staff will be required by Metro to manage a Quality Contract and by bus operators to comply with its requirements.
- 11.5 A Quality Contract transfers the risk of meeting costs of operation from the companies to the ITA. In the event of a shortfall in revenue or sudden increase in costs this could result in either cuts in services imposed by the PTE, increased fares or a demand for additional funding through the Community Tax.

- 11.6 Under a Quality Partnership envisaged by ABOWY (Association of Bus Operators in West Yorkshire) First would continue to meet the financial risk of operating services. New agreements would result in operators accepting all tickets on their buses regardless of which operator had issued them giving utmost flexibility to the passenger. Introduction of Oyster style tickets from 2013 onwards would increase off bus ticket sales and improve journey times and enable issue of the ticket most suited to the requirements of the passenger. A similar ticket would not be introduced under a Quality Contract until at least 2016.
- 11.7 Introduction of a Quality partnership involving First in Sheffield resulted in 36% of passengers benefitting from a fare reduction. Lower fares were financed by savings from co-ordinated timetables. The Partnership is forecast to increase ridership by 3% in year one and 2% in years two and three. By comparison the proposed Quality Contract was forecast to increase passengers by 2.14% in year 1 and only by 0.47% each year thereafter.
- 11.8 SYPTE is anticipating benefits from additional funding through devolvement of BSOG distribution to the extent of £1.5m p.a. for Sheffield alone. A similar figure would apply in Leeds but the additional funding is not available where a Quality Contract is introduced.
- 11.9 There are examples of Partnership working elsewhere in England that have achieved solid and consistent annual growth in passengers. Brighton and Nottingham stand out and have the highest ridership per head of population 167 and 163 respectively compared with 81 in West Yorkshire.
- 11.10 ABOWY proposes wide consultation on bus services involving representatives from bus companies, Metro, Leeds City Council and passenger groups and clear rules and arrangements on dealing with passenger complaints. Independent "mystery traveller" surveys would be conducted on a regular basis to identify areas for improvement.
- 11.11 A Quality Partnership board would be established comprising officers of Metro, representatives and officers of Leeds City, as well as passenger group representatives and Operators. Binding agreements would dictate the standard and age of buses frequency and integration of services and acceptable driving standards.
- 11.12 A Quality Partnership will deliver improvements quickly and at considerably less risk to the public purse than a Quality Contract.
- 11.13 Regardless of the regime under which bus services operate significant strides towards attracting more passengers to buses in Leeds will not be made without close partnership between bus operators and the Leeds Highways department further building on the work which has been done to date.