



DERBY CITY COUNCIL

**PLANNING, HIGHWAYS AND TRANSPORT
INDIVIDUAL CABINET MEMBER MEETING
16 AUGUST 2006**

ITEM 5

Report of the Corporate Director, Regeneration and Community

Extension of Contracts for Council supported Bus Services

SUMMARY

- 1.1 In autumn 2005 the council paid for the introduction of a series of bus services in the city. These were:
- the 17A from the city centre to the Park Farm Centre Allestree via the Broadway and Darley Abbey village
 - the 19 from the city centre to Spondon via Waterford Drive and the Asterdale Estate
 - the 35 from the city centre to Havenbault Avenue via Mickleover and Littleover
 - the 111 from the city centre to Wyvern Park via Pride Park and the park and ride site.
- 1.2 These new services were introduced after requests from members of the public who found it difficult to reach the existing commercially operated bus services. The exact routes the services took were decided following analysis by officers of where in the city there was sufficient demand for new bus routes and detailed discussions with Councillors on the Bus Consultation Group. To pay for these services £88000 from the additional revenue generated by the increase in car park charges introduced in 2005 was set aside into the public transport units revenue support budget
- 1.3 The use of these services has steadily increased over the last 10 -11 months and they all now meet the assessment criteria guidelines for council supported bus services. There have been calls from the public that the hours the services operate for should be extended. It is therefore proposed that the contract to operate the existing services should be extended for another year and that officers are allowed to investigate the costs of introducing extended operations on these services.

RECOMMENDATIONS

- 2.1 That the contracts to operate the supported bus services introduced in autumn 2005 are extended for another year.
- 2.2 That council officer's are authorised to investigate what the potential costs would be to extend the times that these services operate. Any decision will need to take account of car park income in so far as these services are funded directly from increases in car park fee's

REASONS FOR RECOMMENDATIONS

- 3.1 To ensure we are able to maintain the new bus services that the public have requested and have now come to depend on.
- 3.2 To allow us to investigate possible improvements to these services.

SUPPORTING INFORMATION

- 4.1 In autumn 2005 the council paid for the introduction of a series of bus services in the city. These were:
 - the 17A which operates every 2 hours Monday to Friday from 9am to 5.30 pm from the City Centre to the Park Farm Centre in Allestree via the Broadway and Darley Abbey Village. When combined with the existing 17 service which was already jointly supported by the City and County Councils this provided residents of Broadway and Darley Abbey Village with an hourly service to and from the City Centre from 7.45am until 5.30pm Monday to Friday
 - the 19 which operates hourly Monday to Friday from 10am to 3 pm from the City Centre to Spondon Village via Waterford Drive and the Asterdale Estate
 - the 35 which operates hourly Monday to Friday from 10am to 3 pm from the City Centre to Havenbault Avenue via Mickleover and Littleover
 - the 111. This service had previously operated with City Council support using 2 buses as far as the Pride Park, Park and Ride site. This was extended to Wyvern Park following the withdrawal of another bus service in the area as part of the bus service improvements introduced in the autumn. It now operates every 10 minutes during peak times (using 3 buses) and every 15 minutes in the off peak (using 2 buses) Monday to Friday from 7am to 7pm from the City Centre to Pride Park, the Park and Ride site and Wyvern Park. The service also operates on a Saturday from 7am at a 15 minute frequency until 1pm on Derby County home match days or until 7pm on non match days. Financial support for this service is also received from Egg Bank.
- 4.2 The 19, 35 and 111 services are operated on a cost reimbursement basis where any revenue raised is deducted from the cost the bus operator charges the council to run the service. The 17A is operated on a de minimis basis where the bus operator charges the council a flat daily rate to run the service and retains any fares revenue. This was done as it offered the most cost effective way of operating the services.
- 4.3 The use of these services has steadily risen over the 10 -11 months they have been in operation as can be seen in the tables below. The tables show the actual cost to the council of operating the service after any revenue taken has been deducted from the cost along with any financial support we receive from other sources.

Table 1 - Service 17A introduced September 2005

Period	Number of passengers per month	Average passengers per day	Average passengers per bus	Cost per month to operate the service
Sept 05	526	26.3	2.6	£600
Oct 05	1065	50.7	5.7	£630
Nov 05	1023	46.5	4.6	£660
Dec 05	1084	57.1	5.71	£600
Jan 06	1005	47.9	4.79	£630
Feb 06	994	49.7	4.9	£600
Mar 06	1181	51.4	5.1	£690
Apr 06	1135	59.7	5.9	£570
May 06	1324	63	6.3	£630
Jun 06	1395	63.4	6.3	£660
Average	1073.2	51.57	5.19	£627.
Total to date	10732			£6270

Table 2 - Service 19 introduced October 2005

Period	Number of passengers per month	Average passengers per day	Average passengers per bus	Cost per month to operate the service after deduction of revenue
Oct 05	302	50.3	4.2	£250.85
Nov 05	1119	50.8	4.2	£205.85
Dec 05	1149	57.4	4.8	£220.09
Jan 06	1249	59.4	5.0	£290.65
Feb 06	1219	60.9	5.1	£329.97
Mar 06	1571	68.3	5.7	£401.31
Apr 06	1489	78.3	6.5	£403.04
May 06	1647	78.4	6.5	£358.76
Jun 06	1875	85.2	7.1	£447.51
Average	1291.11	65.45	5.45	£323.11
Total to date	11620			£2908.03

Table 3 –Service 35 introduced September 2005

Period	Number of passengers per month	Average passengers per day	Average passengers per bus	Cost per month to operate the service after deducting revenue
Sept 05	673	33.6	2.8	£3192.90
Oct 05	1060	50.4	4.2	£3299.05
Nov 05	1336	60.7	5	£3382.20
Dec 05	1351	71.1	5.9	£2944.45
Jan 06	1493	71.1	5.9	£3265.64
Feb 06	1628	81.4	6.8	£2852.80
Mar 06	1781	77.43	6.4	£3328.85
Apr 06	1660	87.3	7.2	£3086.85
May 06	1870	89	7.4	£3466.55
Jun 06	2170	98.6	8.2	£3593.85
Average	1502.20	72.07	5.98	£3241.31
Total to date	15022			£32413.14

Table 4 – Service 111 introduced October 2005

Period	Number of passengers per month	Average passengers per day	Average passengers per bus	Cost per month to operate the service deducting revenue, and Egg Bank support
Oct 05	4732	676	37.5	£3127.66
Nov 05	20172	775	43	£1852.68
Dec 05	19184	767	42.6	£1980.83
Jan 06	19178	767	42.6	£2615.85
Feb 06	17937	896	49.7	£2969.76
Mar 06	21118	918	51	£3611.83
Apr 06	17470	919	51	£3627.42
May 06	19396	776	43.1	£3228.84
Jun 06	23993	922.8	51.3	£4027.60
Average	18131.11	824.09	45.75	£3004.72
Total to date	163180			£27042.47

The contracts to operate these services are for 12 months and therefore they will come to an end in September/October. We have an option to extend these contracts for another year but we will need to inform the operators that we want to do this shortly

4.4 Since the introduction of these services there has been a demand from passengers for an increase in the hours and the days that they operate on. Specific requests have included:

- operating the 17A later in the day so that the last bus leaves the City Centre at 630pm rather 530pm as it does at present
- operating the 17A on a Saturday
- operating the 19 on a Saturday
- operating the 35 for a longer day with the first bus leaving the city centre at 9am rather than 10am as it does at present and the last bus leaving the city centre at 4pm rather than 3pm as it does now
- operating the 111 on a Sunday to the Wyvern Centre from 8am to 4pm

If there is agreement to extend the contracts to operate these services for another year it maybe useful to find out from the operators what the costs of these various possible extensions would be. Once these have been agreed further discussions would then need to take place with Councillors to find what extensions to the service, if any, could be taken forward.

<p>For more information contact: Chris Hegarty 01332 715045 e-mail chris.hegarty@derby.gov.uk</p> <p>List of appendices:</p> <p>Appendix 1 – Implications</p> <p>Appendix 2 – Supported bus service assessment criteria guidelines</p>

IMPLICATIONS

Financial

- 1.1 Money has already been included in the 2006/07 public transport unit revenue support budget to continue to pay for these services until March 2007. Additional money would need to be made available in the 2007/8 budget to continue to support these services from April 2007 onwards. Continued operation of the services beyond 2007/08 will need to take account of income from car parking fee's. These services are funded directly from increased car parking charges and we need to ensure that the costs of operating them continues to be met.

Legal

- 2.1 None.

Personnel

- 3.1 Some staff time would be required to undertake the investigation of any proposed extensions to the services however this would be limited.

Equalities impact

- 4.1 By maintaining and potentially improving these supported bus services we will improve the quality of life of those people who had previously been unable to reach the existing commercial bus services.

Corporate objectives and priorities for change

- 5.1 The proposal comes under the Council's Objectives of
 - strong and positive neighbourhoods
 - a healthy environment

Appendix 2

Local bus service revenue support value for money assessment criteria guidelines

Using work previously done by Derbyshire, Nottinghamshire and Nottingham City Councils as a model a system has been devised which assesses the value to Derby City Council of continuing to financially support a bus services. The value of a service is reached by looking at a number of factors. These are:

- subsidy per passenger – services which require lower levels of subsidy per passenger are scored higher than those require more.
- passengers per journey – services which carry on average more passengers per bus are scored higher than those that carry less.
- availability of alternative Public Transport services in the area to be served by the supported service and the walking time required to access them. - locations that have limited alternative services to the city centre and local district centre which can only be accessed by a long walk are scored higher than those with regular services within easy walking distance.
- index of Multiple Deprivation – using the work done as part of the Local Transport Plan each of the areas in the city has been ranked in terms of deprivation compared to city and national averages. Routes which serve more deprived areas are scored more highly than those that served less deprived areas.

An overall score is arrived at by adding up all the marks from these factors. Services which score more points are assessed as being of more value than those which get less. Whilst there is not an exact score below which support for an existing service will be withdrawn the other authorities which have used this method have stated that for a new service to be introduced it would need to gain 50% or more of the available points.

As an example this scoring system has been applied to the services introduced last autumn the 17A, 19, 35 and the 111. The results are shown in the table below.

Factor	Performance/level	Score
Subsidy per passenger	Making money	5
	<£1	4
	£1.00-£1.99	3
	£2.00-£2.99	2
	£3.00-£3.99	1
	>£4.00	0
Worked example	17A on De Minims so actual cost per	
Average subsidy per	passenger rather than subsidy = £0.58	4
passenger from September to	19 = £0.25	4
June (cost of service –	35 = £2.15	2
revenue)	111 = -£0.17	4

Factor	Performance/level	Score
Passengers per journey	>20 15-20 10-15 5-10 1-5 0	5 4 3 2 1 0
Worked example Average number of passengers per bus from September to June	17A =5.19 19 = 5.45 35 = 5.98 111= 45.75	2 2 2 5
Availability of alternative Public Transport services in area served and walk time to access it	Monday to Friday daytime alternative bus services to the city centre No service to the city centre Hourly service to the city centre 2 buses an hour to the city centre 3 buses an hour to the city centre 4 buses an hour to the city centre 5 or more buses an hour to the city centre Monday to Friday daytime alternative bus services to district centre or supermarket No service to district centre/supermarket Hourly service to district centre/supermarket 2 buses an hour to district centre or supermarket 3 buses an hour to district centre or supermarket 4 buses an hour to district centre or supermarket 5 or more buses an hour to district centre or supermarket Walk time to access alternative bus services to anywhere More than 25 minutes walk to access alternative services 20-25 minutes walk to access alternative service 15- 20 minutes walk to access alternative service 10 -15 minutes walk to access alternative service	5 4 3 2 1 0 5 4 3 2 1 0 5 4 3 2

Worked example	5-10 minutes walk to access alternative service	1
	Less than 5 minutes walk to alternative service	0
	17A – Alternatives to city centre 4 commercial buses per hour on Duffield Rd (6.1-6.4). No direct link to Park Farm. Some areas beyond 400m walk to bus stops average walk time 20 minutes	10
	19 – Alternatives to city centre 7 buses per hour Nottingham Rd for Albert Rd (R4, 5 and 9) 3 buses per hour Asterdale Estate (R4) No direct link from Asterdale to Spondon district centre. No area beyond 400m walk. Average walk time 10 minutes	7
	35 – Alternatives to city centre 7 buses per hour for Bretton Avenue on Burton Rd (33, V3 Harlequin) No direct link to Mickleover or Hospital. 3 buses per hour for Havenbault Lane on Rykneld Rd (V3 and Harlequin).No direct link to Mickleover or Hospital. Some areas beyond 400m walk to bus stops average walk time 20 minutes	10
	111 Alternatives to city centre 3 buses per hour for Pride Park on Pride Parkway (68a/b) No other direct bus services for Park and Ride site or Wyvern. Nearest district centre Wyvern which has no other bus service. Large areas beyond 400m walk to bus stop. Average walk time 25 minutes	12
Index of Multiple Deprivation (IMD) score of areas served	Worst 5% (most deprived)	5
	5-25%	4
	25-50%	3
	50-75%	2
	75-95%	1
	Best 5% (least deprived)	0
Worked example	17A - None of the areas it is there to serve eg Darley, Broadway are in bottom 50% nationally for deprivation with most being above average for Derby.	1

	19 - Some areas in the 25% most deprived nationally eg Albert Drive, Asterdale Estate. Rest of route at Derby average or above.	3
	35 - Some areas served are in the 10% most deprived nationally eg parts of Abbey Ward. The majority of the route however is in areas at the Derby average or above particularly the areas it was put to serve eg Littleover and Mickleover.	2
	111- All of the route is in an area classified as in the most deprived 25% nationally.	3

It is possible to gain a maximum score of 30. The combined scores for the services in operation at the moment are:

17A =17

19 = 16

35 = 16

111=24

So of the services that went into operation last autumn the 111 is of most value and the 19 and 35 the least. However the 19 and 35 did reach the 50% threshold set by other councils when they look as whether a new service should be introduced.