
Meeting of Executive Members for City Strategy and Advisory Panel **8 September 2008**

Report of the Director of City Strategy

A COMPARISON OF BUS FARES IN YORK AND WITH OTHER LOCAL AUTHORITIES

Summary

1. This report has been written to advise Members of the comparative cost of bus travel in response to a request made for this information at the Executive Members for City Strategy and Advisory Panel meeting of 16 July 2007.
2. The report does not provide Members with any 'options' and is for information only. Three specific areas are explored:
 - How local bus service fares in York compare to those in other, broadly similar conurbations.
 - How Park & Ride fares in York compare to those in other local authorities.
 - How fares differ between the bus companies operating in (and into) York.
3. Members' attention is drawn to the Local Transport Bill currently being consulted on. Local authorities currently have little control over fares levels on commercial bus services. The Bill will enable councils, with the agreement of bus operators, to engage in more formal quality partnership arrangements than are currently permissible and may allow a greater remit for councils to control fares. Any fares control measures must be considered against the commercial requirements of operators and would be likely to require Council subsidy.

Background

4. Bus fares tend to rise year-on-year in line with increasing operational costs. The year to December 2007 saw costs rise for operators in Northern England by an average of 6.4%¹. In response, many bus operators increased their fares several times during this period.
5. Bus passengers in York have not been disproportionately affected by the

¹ Figures taken from Confederation for Passenger Transport website.

fares increases but have seen some increases in the past year. The table below outlines some of the fare amendments:

Operator	Date of amendment	Which service	Changes
First York	September 05	Park & Ride	Return fare increased from £1.80 to £2.00
	January 06	City network (not P&R)	Single fares changed –10p to +40p. Return fares changed by 20p to 30p.
	January 07	City network (not P&R)	Adult fares increased 10-20p. Child Single reduced 50p. Return fare increased 30p.
	August 07	Park & Ride	Weekly/monthly smartcard fares increased
	January 08	City network (not P&R)	Fares review – some fares increased, others decreased
	August 08	Park & Ride	All fares increased. Return fare increased from £2.00 to £2.30
E. Yorkshire Motor Services	October 06	All services	Fares increased (details not analysed)
	November 07	All services	Fares increased (details not analysed)
	March 08	All services	Season ticket prices increased
	May 08	All services	Fares increased by 5-20p on all single journeys and pro-rata on return journeys
Veolia York	September 07	All services	Fares increased – Single fares £1 to £1.10, £1.50 to £1.60 and £2.00 to £2.20.
Reliance	September 06	All services	Fares increased (details not analysed)
	March 08	All services	Fares increased by 10-20p on all single journeys and pro-rata on return journeys

How local bus service fares compare to those in other local authorities

6. **ANNEX 1** shows a range of comparative day and season ticket prices for other historic towns with Park & Ride services. First York's ticket prices are largely in line with other operations across the country with broadly similar bus networks.
7. York has a high proportion of commercial bus services. **ANNEX 2** outlines the split between commercial and local authority supported services in various areas of the country. This table demonstrates that the York taxpayer is paying less than in many other local authority areas for its bus services, achieving the same levels of commerciality as Newcastle.
8. In conclusion, officers work closely with the bus operators under the auspices of the Quality Bus Partnership to better understand the issues faced by operators. Increases to fares are necessary at intervals as the cost of labour, fuel and sundries rise but officers are working to persuade operators that fares are kept in proportion with these costs. Bus companies are aware of the "elasticity" effects of fare changes and strive hard to minimise or avoid increases as far as possible.

How Park and Ride fares compare to other local authorities

9. **ANNEX 3** displays a cross-section of comparative park and ride fares with other areas of the United Kingdom. The table also shows the number of park and ride sites in each area, the hours of operation and whether or not the services are supported by the local authority.
10. Highlights of the study are as follows:
 - The York return fare, at £2.30, is largely comparable with most other park and ride services.
 - Many other areas surveyed have recently had, or are considering fares increases.
 - York is one of the few local authorities to have an unsupported park and ride service.
 - Of those areas studied, only York receives a licence fee for its park and ride services from the operator.
11. York offers a good level of park and ride service with fare levels comparable to most other areas of the country. The City is viewed as having a good reputation by many local authorities across the country.

How fares differ between the bus companies operating in (and into) York

12. The following companies operate more than occasional buses in the York area:

First York	Transdev York ²	Coastliner	Arriva
East Yorkshire Motor Services	Reliance	Stephensons	York Pullman

13. First York are, by some margin, the dominant operator in York and have a relatively comprehensible zonal fare structure with only three single fares. They also offer the 'First Day, Week, 4week and Annual' season tickets which offer unlimited travel on First buses in York and are a considerable discount on the single/return fares. Most other operators serving York do not operate such a fares structure and set fares on a route by route basis with a series of different fares existing, dependent on the length of journey.
14. Transdev York offer a virtually identical range of products to First York. It is difficult to compare longer journey operator fares on a like-for-like basis, as there are very few corridors on which direct competition exists. Where competition does occur, operators largely charge a similar fare and where competition does not occur, fares are often considerably higher.
15. **ANNEX 4** highlights a sample of the fares available from locations around York and demonstrates that fares from the same points are often similar between operators. There is no obvious trend, however and to comply with the Competition Act, 1998, operators are not allowed to agree (and fix) fares with each other.
16. As discussed in point 8 above, bus companies are aware of the elasticity effects of fare changes and strive hard to minimise or avoid increases as far as possible. The Council is only able to directly influence fares on contracted bus services. Any attempt to impose artificially low fares on the part of the Council would result in a proportionate increase in tender prices which would potentially undermine the future of some services.
17. Fares in York are not excessive when compared to other areas of the country and outside the PTE zones, the York fares structure is comparable to most other towns and cities. The main difference between York and most other towns and cities is that we have a comparatively modern bus fleet and this can only help to encourage modal shift towards bus transport.

Corporate Priorities

18. Council involvement in the provision of bus services contributes towards the following Council's Corporate Aims as set out in the Council Plan. In particular, it contributes towards the "Sustainable City" and "Inclusive City" strategic objectives in the Community Strategy and Corporate Aim 1.3 to "make getting around York, easier, more reliable, and less damaging to the environment".

² Transdev purchased 'Topline Travel' and 'Veolia York' to form 'Transdev York' in 2008.

19. Council involvement also contributes towards achievement of the objectives embodied in the Council's Second Local Transport Plan; to reduce congestion, improve safety, improve air quality, improve accessibility, and improve other aspects of quality of life. The extent of the involvement possible is however governed by legislative restrictions and the willingness of bus service operating companies to co-operate with the Council in partnership working.

Implications

20. None

Risk Management

21. The risks associated with the recommendation of this report are assessed at a net level below 16.

Recommendations

That the Advisory Panel advise the Executive Member to:

21. Continue to support officers in their work with bus operators to further improve the quality and retain the existing fares on bus services in York.

Reason:

Authors:	Chief Officer Responsible for the report:			
Andrew Bradley Principal Transport Planner (Operations) City Strategy 01904 551404	Damon Copperthwaite Assistant Director (City Development and Transport)			
	Report Approved	<input type="checkbox"/>	<input checked="" type="checkbox"/>	18/08/08
	Ruth Egan Head of Transport Planning			
	Report Approved	<input type="checkbox"/>	Date	<input type="checkbox"/>
Specialist Implications Officer(s) <i>List information for all</i> <i>Implication:</i> Financial <i>Name</i> Patrick Looker <i>Title</i> Finance Manager, City Strategy <i>Tel No.</i> 01904 551633				
Wards Affected: List wards or tick box to indicate all				All <input checked="" type="checkbox"/>
For further information please contact the author of the report				

Background Papers

Second Local Transport Plan 2006 –11

Annexes

Annex 1 Comparison of local service bus fares with other local authorities

Annex 2 Percentage of supported/commercial bus services

Annex 3 Comparison of park and ride fares with other local authorities

Annex 4 Comparison of bus fares in York