

## **Annex E – Park and Ride Issues and Options**

- E1. There are a number of issues and options relating to the way the service could be contracted which are almost independent of the contract arrangement chosen. The options have been split into four main headings: operational issues, operating methodology options, council/operator split options and specification options.

### **Operational Issues**

- E2. There are a small number of issues which will be included within the contract which should be noted but have limited option for adjustment. These include interconnecting tickets, city centre car parking charges, registration & competition constraints and TUPE issues.

### **Interconnecting tickets**

- E3. The current park and ride operation is integrated into the citywide service bus operation. This provides considerable benefits for the public who can purchase a single ticket and use it on the park and ride and service buses across the city. This is particularly useful for feeder services to the park and ride sites from outlying areas. The recent customer survey suggests that 10% of park and ride bus passengers who are York residents (4% of all passengers) frequently connect with another city bus service. A further 31% of residents (17% of all passengers) occasionally connect with another bus service.
- E4. The Connexions bus services from outlying villages to Askham Bar Park and Ride site enables a more frequent subsidised rural service to be provided as the city centre section of the journey is provided by the Park and Ride buses. Although only approximately 5,000 passengers per year use this service at present it is hoped to develop this option to increase the number of public transport trips from rural areas. The council currently reimburses First for the Park and Ride section of the Connexions fare. A mechanism for payment for combined tickets including the park and ride element will need to be included within the new contract.
- E5. It is unlikely that any new supplier would be in a position to provide this option unless agreement can be reached with the principle city bus operator. Any transfer of passengers to alternative suppliers may affect the commercial viability of the service.
- E6. It is proposed that the park and ride service would be included in any current or new integrated ticketing scheme which may be developed in York.

### **City Centre Car Parking**

- E7. The existing contract includes a covenant that the council will not set the long stay parking charge below £3.20 which represented a four hour stay in 2002. This provides assurance to the operator that the

Council will not undercut the commercial park and ride operation. A similar clause will need to be included within the new contract so that the tenderers do not need to include an allowance to cover the risk of reduced park and ride patronage due to lower city centre car park charges in the future. If car parking charges were reduced and patronage on the park and ride fell it is possible that the licence fee would have to be reduced.

### **Registration – Competition**

- E8. The current service operates as a registered local bus service with the operator responsible for registration with the Traffic Commissioner. If a new supplier was successful First would have to de-register the existing services as they would no longer be departing from park and ride site and the new operator would register the proposed services.

### **TUPE**

- E9. If First were unsuccessful in securing the contract it is likely that the existing staff providing the service would be eligible to transfer to the new operator under the terms of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Up to 75 drivers and 15 supervisors may be affected. Details of the numbers involved and their employment history will be needed for inclusion within the tender documentation. The existing operator has a statutory duty to cooperate with the incoming supplier which is independent of the responsibilities of the council as client.

### **Operating Methodology Options**

- E10. There are a number of fundamental changes to the operation of the service which could be considered. These include contracting each route separately, charging for car parking at park and ride sites, changing to cross city routes, concessionary fares charges and removal of intermediate stops.

### **Separate Route Contracts**

- E11. The TAS study suggests that the routes could be tendered separately particularly if the cross city routes were introduced. However it is considered that this will potentially fragment the service and may increase the supervision and management requirements. Franchise operations are successfully used in Norwich where comparisons between the performance of routes helps to improve quality. The tendering of separate routes would allow smaller operators to bid for the service but the possible TUPE issues with the existing operator and interconnecting ticket issue would be more complicated.

### **Charging for Car Parking at Park and Ride Sites**

- E12. Together with most Park and Ride services around the country the operation in York has always charged per person for travelling on the bus. This option has a number of benefits:

- More likely to encourage commuters, in particular single occupancy car users, at peak times to use the service.
- Avoids complications with VAT (payable on car parking). It may be possible, by agreement with HM Revenue and Customs, to limit the payment of VAT to a proportion of the total fee.
- Allows the operator to register the service as a local bus service and to qualify for Bus Service Operators Grant.

E13. A number of services around the country charge per car which has the following advantages

- The pricing structure for the service is attractive to families or groups encouraging car sharing.
- Concessionary fare issues can be more easily resolved.
- Possible increased revenue for the council.

E14. Car park charging could be in addition to the bus fare as at some P&R routes in Oxford or form the total charge for the parking and bus travel for up to 4/5 passengers as in Norwich. Bus only fares would need to be established for passengers who arrive at the site by other means e.g. walking, cycling, dropped off or public transport. Note: Approximately 45% of travellers using the sites are currently travelling alone.

E15. The existing lease does not permit the payment of a charge at the Designer Outlet as the current arrangement allows the mutually beneficial use of the car park owned by the shopping centre by the park and ride operation. The charge for car parking at the other sites may lead to a distortion in the market encouraging people to travel further than necessary and possible substantial increases in use of the 'free' car park at the Designer Outlet. Car park capacity issues may arise which may mean that the Designer Outlet would serve notice (9 months) on the council to remove the Park and Ride site.

E16. If a charge was paid per vehicle which would also cover bus travel there would be the following issues.

- The number of passengers using the service is likely to reduce as the price advantage to city centre parking may be lower depending on the charge. This may result in an increase in peak time traffic levels
- Car sharing/alternative travel modes to the sites would be encouraged.
- It would be difficult to establish an appropriate charge which would not penalise commuters who tend to travel at peak times.
- There would be a potentially significant revenue risk in changing from the present payment by individual passenger to payment by car. Surveys to establish car occupancy levels would be required.

- The charging mechanism is more complicated than the existing system with increased administration costs but may lead to shorter bus loading times as more tickets would be purchased off bus.
- A pay on exit parking charge, the cheapest to enforce and operate but less flexibility for concessionary users, would not be more difficult to administer.

E17. If a separate car parking charge was introduced there would be the following issues.

- The number of passengers using the service is likely to reduce as the price advantage to city centre parking may be lower depending on the charge. This may result in an increase in peak time traffic levels
- Car sharing/alternative travel modes to the sites would be encouraged.
- There would be less revenue risk compared to a combined charge as the car parking fee could be in addition to the existing fare.
- A basic car charge could be established which treated all vehicles equally however the perception may be that commuters were being penalised more than groups.
- The charging mechanism is more complicated than the existing system leading to a more time consuming visit for passengers and increased administration costs.
- The car park charge could be pay and display (higher set up and running costs but greater flexibility) or pay on exit (lower set up and running costs but less flexibility for concessionary users).

E18. The option to change to operating the park and ride service on a car parking charge basis is not recommended as it may undermine the objectives of the Local Transport Plan to reduce congestion and improve air quality.

### **Cross City Routes**

E19. The current pattern of operation involves four of the routes in time consuming circuits of the city in order to ensure adequate penetration of the centre. It is TAS's view that cross-city linking will retain this penetration whilst eliminating wasteful mileage. Although the main aim of this pattern of operation is to maximise efficiency there would be cross city movement benefits which would encourage travellers to use the park and ride for trips to other destinations rather than the city centre alone. TAS estimate that the introduction of cross-city running would reduce the peak vehicle requirement from the present 26 to 25 and that 20 buses would be required in the off-peak. Cross city routes are successfully operated in Cambridge but there are reliability issues because of the length of the routes.

E20. In situations where disruption is exceptional (e.g. race days) it would be possible to break the cross-city links and revert to the existing pattern of operation, although this would require the operator to

commit additional resources. Alterations to the routes on a temporary basis would be difficult to manage and would confuse users.

- E21. TAS's proposed cross city links would be Askham Bar -- Grimston Bar and Designer Outlet – Monks Cross. The Rawcliffe Bar route would remain unchanged. It is considered that there are substantial issues to resolve before the cross city route proposals could be implemented. In particular the linkage of radial corridors with bus priorities with routes with congestion problems would need further investigation. In addition the fare structure may need to be adjusted to account for the route changes.
- E22. It is proposed to include the cross city proposals as an option for pricing within the contract to determine the cost advantages of its introduction.

### **Concessionary Fares**

- E23. Residents of North Yorkshire who are eligible for concessionary fares currently travel for free on the Park and Ride buses although the North Yorkshire Concessionary Fares Scheme excludes Park and Ride Services unless they are fulfilling a local travel demand. First are reimbursed for carrying concessionary fare passengers on an average fare basis. The council currently receives an income from the government for reimbursing the concessionary travel scheme for users from the York area. The council also receives reimbursement from the other councils in the scheme for the costs of transporting users from their areas. The cost to the council of the park and ride element of the concessionary fares reimbursement is currently approximately £400k per year. If a new operator won the tender a new reimbursement figure would need to be calculated for the Park and Ride service separately and the rate for First would need to be amended for the other services it operates across the city.
- E24. Since April 2006 when the free bus travel in the North Yorkshire area was introduced there has been a substantial increase in the number of concessionary travellers on the Park and Ride services. Users purchasing half fares (i.e. North Yorkshire residents) represented approximately 8.5% of the passengers on the service in 2005/06. Since April the number of concessionary passengers has increased from 27,000 a month to 45,000 a month in December now representing approx. 10% of all passengers.
- E25. In April 2008 it is anticipated that nationwide free bus travel will be available for all people aged over 60. This is likely to mean a substantial increase in the numbers of passengers who will arrive at the sites in anticipation of travelling on the park and ride service for free. Owing to the increased numbers of out of area concessionary travellers likely in York (and other popular destinations) it is possible that the funding received from the government will not be adequate unless the current formula is changed. It is proposed to lobby the DfT to ensure these concerns are addressed in the allocation formula.

- E26. Guidance from the transport consultants suggests that it would be possible to charge all travellers on the Park and Ride service (even those eligible for concessionary fares on public transport) as the operation is a premium service – i.e. car parking is also included. However there is a risk that the Bus Services Operating Grant may be removed if all concessions are charged reducing the commercial viability of the service. Confirmation that it will be legally possible to charge on a registered local bus service following the introduction of the nationwide concessionary fare scheme has not been issued as the details of the scheme have not yet been finalised.
- E27. The charging option for people normally eligible for concessionary fares who park and use the bus service can be more easily introduced on park and ride operations where travellers pay for the service by a car park charge e.g. Norwich. For the existing operation in York, where payment for service is on the bus and the service carries park and ride and non park and ride passengers (e.g. passengers who walk to the site) it would be difficult to distinguish between users and a charging scheme would be more difficult to introduce. However, the TAS study suggests that the entire service could be classed as premium therefore all passengers could be charged. It should be noted that concessionary fare passengers who parked at certain sites would still be able to make use of service buses in the area for free.
- E28. It should be noted that the introduction of charges for park and ride bus travel for persons eligible for concessionary fares would be contrary to the existing arrangements and potentially difficult to enforce. However unless a charging mechanism is introduced there is a potential risk that the concessionary fares income will be inadequate to fund the number of people travelling. The impact of the changes to the concessionary fares income and patronage needs to be carefully assessed once the guidance on the new scheme has been received.

### **Intermediate stops and non – park and ride trips**

- E29. Most of the park and ride routes have intermediate stops which have been developed as the service has evolved for commercial or service provision reasons. In addition a considerable number of trips on the park and ride service are based on passengers travelling out from the city centre to employment/retail/education facilities close to the park and ride site ('back trips') e.g. York College at Askham Bar.
- E30. In principle the presence of intermediate stops hinders the overriding objective of the park and ride operation to remove traffic from the city centre whereas the 'back trips' enhance the commercial viability of the service. The objective of the park and ride service is to offer a fast high quality service which provides advantages over the private car. Additional stops impedes the express nature of the service reducing that advantage. However it should be noted that stops at key

destinations e.g. employment sites and interchange points along the routes allows additional benefits to be realised.

E31. The reason for the number of intermediate stops on some of the routes is related to the commercial viability of the services when they were first introduced. Passenger growth from the park and ride sites since commencement suggests that some stops could be removed without affecting the viability of the services. In particular the intermediate stops on the Fulford Road section of the Designer Outlet route significantly affect the 'express' operation of this service and therefore may limit the modal shift from the car. Pending further investigation it would be proposed to reduce the number of out of city centre stops along this route. It is not proposed to change the location of the intermediate stops on any of the other routes in the new contract however an additional stop may be introduced on the Grimston Bar route to make use of the road through the Foss Islands development. Prior to the preparation of the contract the position and number of city centre Park and Ride stops is also to be reviewed to check that they are at the most appropriate locations.

E32. The Monks Cross route currently loops around the shopping centre to provide a link with the employment and retail sites in the area. This extension provides useful 'back trip' income for the service and it is proposed to amend the route to include the Monks Cross south development when that is progressed. An extension of the Park and Ride Service into the new college on Tadcaster Road will also be investigated.

### **CYC-Operator Split Options**

E33. There are a number of options for the development of the Park and Ride operation which are independent of the type of contract pursued. The split of responsibility for elements of the service needs to be clear before the service can be tendered. The following items could be the responsibility of the Council, the supplier or shared: maintenance, supervision, utility costs, business rates, technology, advertising/sponsorship, marketing.

### **Maintenance/Cleaning**

E34. The age of the sites means that significant maintenance expenditure is likely to be required during the term of the next contract to ensure the infrastructure is kept at a good standard. Condition surveys will be undertaken at all sites to establish the maintenance work required eg. footway resurfacing at Grimston Bar. The council would be obliged to maintain the good standards of the site infrastructure as patronage levels may be at risk if the quality of the sites slips. The works could be undertaken as part of the re-launch of the service under the new contractual arrangements. It is proposed to split the responsibility for maintenance similar to the existing arrangement such that the council is responsible for significant works but the supplier is responsible for routine minor maintenance. It is anticipated that funding from the LTP capital settlement could be used for some

of the major works. Cleaning will remain the responsibility of the operator.

### **Supervision**

- E35. The way supervision is provided for park and ride operations across the country varies considerably. Many operations have separate in house or contracted staff supervising the operation independently of the bus operator. The costs of separate staff is likely to be greater than for an integrated operation provided by the bus operator. An integrated service allows better management of the bus service and gives the site supervisor the ability to make adjustments to the services in order to tackle the effects of disruption.
- E36. The existing contract includes for the operator to provide at least one site supervisor at all sites, except the Designer Outlet, at all times during the operation of the Park and Ride Services. The supervisor undertakes security patrols, deals with customer enquiries and collects fares. It would be proposed to include a similar requirement in the new contract but have an option of including a supervisor at the Designer Outlet once a suitable kiosk is in place and an option for the provision of a roving city centre supervisor to improve queue management and cover customer issues at peak times at the park and ride stops.

### **Utility Costs and Business Rates**

- E37. It is proposed to maintain the obligation for the supplier to be responsible for utility costs and business rates. Indicative levels of expenditure will be required for the tender.

### **Technology**

- E38. The BLISS system is operational on some of the park and ride routes with real time information screens and bus priority at traffic signals. However the benefits of the system are limited because the operator does not always allocate vehicles with transponders fitted. It is proposed to expand the real time information provision in the future in accordance with the desires of the users identified in the customer survey.
- E39. In addition better use could be made of the management benefits which are made possible by the new technology – such as accurate reliability reports. It would be proposed to include these issues in the performance indicator section of the new contract. The existing equipment on the current bus fleet is owned by the city council. It is proposed to include the provision of the equipment within the new contract. If a new operator was successful the existing equipment could be recovered and re-used or left in position if the vehicles were to be transferred to other routes within the city.

### **Advertising/Sponsorship**

- E40. Currently the operator retains the revenue from income for advertising on or within the park and ride vehicles and the Council



would retain any income from advertising/concessions at the park and ride sites. The new contract provides an opportunity to revise these arrangements and specify that a proportion of the on bus advertising should be allocated to the council.

- E41. In addition it is possible that the success of the Park and Ride operation would enable significant sponsorship income to be generated. Income could be received from sponsors who could provide improved site entrance signage together with lamppost advertising banners and advertising signs at bus boarding and alighting locations.

### **Marketing**

- E42. It was the view of the transport consultant that the level of marketing and promotional material available was poor. 'Hard' publicity currently comprises at stop information and a small section at the back of a general tourist information booklet. First produce their own leaflet containing park and ride timetables and route maps, but this is not readily available. A more proactive approach has the potential to create significantly increased levels of demand and if the Council takes command of this aspect then park and ride publicity can be incorporated into all tourist information, and a consistent, high quality product ensured. If responsibility for publicity is devolved to the operator its quality may be much more variable and its 'reach' more limited.

### **Route Branding**

- E43. The existing branding of the park and ride vehicles does not effectively distinguish the operation from the general bus service fleet. This makes it harder for travellers, particularly first time visitors (28% of weekend users), to identify which bus to use. Buses on each route could be coloured to match the route colour making identification much easier. In addition the bus stops and flags could be more distinctive to match the routes. Coloured branding is successfully used for many park and ride operations across the country. Colour coding of the route buses would limit the flexibility of transfer between routes in the event of incidents or break downs. As an alternative the entire park and ride bus fleet could be branded more distinctly which would aid identification but allow more flexibility. It is proposed to include the service branding in the core requirements and route branding as an option.

### **Specification Options**

- E44. The specification for the service will be critical in determining the quality of the operation and its commercial viability. If the level of service specified is too high then there is a risk that the operation will need to be subsidised by the council. The following main items will need to be included in the tender: fares, vehicles, frequency, operating hours, performance and monitoring and customer care.

**Fares**

- E45. The current contract specifies the fares for park and ride users who purchase tickets (including the discounts for pre-purchased stored value, weekly and monthly passes) at the Park and Ride site. Free park and ride travel is specified for young children and for up to 2 children accompanying a fare paying adult.
- E46. All other fares are set by the operator on a commercial basis. Currently this means that the fare for passengers using the service as a local bus service is higher than the park and ride fare. Advice suggests that it would be difficult for the council to set all of the fares on the service due to competition rules, particularly if the fares on the park and ride service for local trips were set lower than the equivalent commercial fare.
- E47. Over the last five years the standard return fare for park and ride users set at £1.60 in 2002 has increased in accordance with the contract and the Transport Price Index up to £2.00. Fares for equivalent journeys across the city using service buses have risen substantially more. The return fare for passengers travelling from the city centre to a park and ride site is currently £2.80. The fare comparisons suggest that the park and ride fares have been suppressed by the existing contract arrangements.
- E48. Smart Cards are issued for stored value, weekly and monthly use which currently provide a discount of up to 25% on the standard fares to encourage regular usage.
- E49. It is proposed to keep the simple fare structure with a standard rate for all routes in the new contract arrangements. The value of the fares may be adjusted to account for the changes to the service specification and rates supplied during the tender exercise. The value of fare set will have a direct bearing on whether the council will receive an income for the provision of the service. An option for an increased starting fare to cover the proposed quality improvements will be included in the tender.

**Vehicles**

- E50. The existing operator uses conventional buses and articulated vehicles to provide the park and ride service. The current vehicles vary between four and six years old and all are low floor compliant. The existing bus fleet all meet Euro 3 standards but do not have air conditioning. The aspiration would be for the new supplier to provide new or recently manufactured vehicles meeting at least the Euro 4 environmental standards which is now required for all new vehicles. The provision of all new vehicles at the start of the contract would be a substantial capital outlay for the suppliers and may not be realistic or affordable. It is therefore proposed to specify that vehicles shall meet at least the Euro 4 standard and not be more than 5 years old at any stage in the contract.

- E51. The provision of air conditioning increases the fuel consumption of buses considerably (12-20%) and therefore means that there is an increased environmental consequence and cost for each journey. It is proposed to include naturally ventilated buses in the core requirement with an option to upgrade to air conditioned vehicles dependant on the overall tender evaluation.
- E52. Double decked buses are used for park and ride services across the country and could be used on all services in York except the Rawcliffe Bar route and would provide advantages for traffic flow at key junctions e.g. Blossom Street. However there are concerns that double deckers do not cater so well for people carrying shopping or the elderly and may take longer to load and unload. The customer survey showed that only 6% of passengers over 60 preferred double deckers whereas 22% of passengers between 17 and 24 preferred double deckers if the route capacity had to be increased. Overall when asked which type of vehicle they would prefer to travel on if capacity had to be increased only 13% of park and ride users preferred double deckers. However specifying articulated vehicles may limit options for suppliers and could lead to increased operating and capital outlay costs and consequential reduced revenue for the council. It is proposed to limit the operation to single deckers or articulated vehicles in the core requirement but allow double deckers as an option for evaluation. A minimum seating capacity of 40 will be specified.
- E53. To ensure good customer care the vehicle must allow interaction between the driver and the passengers as they board the bus. The driver is one of the first impressions visitors receive of York and is therefore a key element of the service.

### **Frequency**

- E54. All services are currently based upon a standard frequency of 10 minutes throughout the day with increased frequencies at peak times and peak periods through the year. The required capacity of the most popular services is achieved by the provision of articulated vehicles. The inclusion of these buses provides increased capacity without an unreasonable high frequency being required and gives a maximum carrying capacity per hour of 2400 for the entire service at peak times. It is proposed to specify this minimum carrying capacity per hour and a maximum time between vehicles of 10 minutes to ensure the required capacity is delivered but allowing the potential suppliers flexibility in the provision of vehicles and exact time table. Minimum timetables will be specified as the core service to allow comparison between tenderers.

### **Operating Hours**

- E55. The operating hours included within the existing contract have been extended by First in response to requests by the Council and due to the increased patronage levels being adequate to operate a commercial service. The opening times are similar or better than

other park and ride operations which find it difficult to sustain a Sunday service. It is proposed to make minor changes to the existing operating hours such as operating 30mins earlier on a Sunday to match shop opening hours and provide later opening times up to Christmas.

	Original Contract	Current Operation	Proposed Operation
Monday to Saturday	07:00 to 20:00	07:00 to 20:00	07:00 to 20:00
Askham Bar	07:00 to 20:00	06:00 to 20:00	06:00 to 20:00 (option 23:00)
Sundays (20 November to 2 January)	8 hours	10:00 to 18:00	09:30 to 18:00
All Other Sundays	No Service	10:00 to 18:00	09:30 to 18:00
Christmas Eve and New Years Eve	07:00 to 18:00	07:00 to 18:00	07:00 to 18:00
Christmas Day	No Service	No Service	No Service
Boxing Day	No Service	No Service	Option (10:00 to 18:00)
New Years Day	No Service	No Service	Option (10:00 to 18:00)
Late Night Shopping Days (4 weeks up to Christmas)	By Agreement	By Agreement	Extend to 21:30
Designer Outlet Late night shopping (4 weeks up to Christmas)	By Agreement	By Agreement	Extend to 21:30
Special Events	By Agreement	By Agreement	By Agreement

**Performance and Monitoring**

E56. The monitoring of performance and imposition of appropriate penalties will ensure better management of the operation and provide an incentive to the operator to provide services in accordance with the contract. There is no penalty arrangement in the existing contract.

E57. The current punctuality regime adopted by the Traffic Commissioner for starting point departures for frequent (10 minute) services is six or more buses will depart within any period of 60 minutes and the interval between consecutive buses will not exceed 15 minutes. It would be reasonable that these limits should form the boundaries of performance for the new contract and that penalties should be imposed for failure to meet these standards. An excess waiting time

target for passengers could be also be introduced e.g. Transport for London are working towards a maximum average excess waiting time of 1.25 minutes.

E58. Additional reliability targets of no more than 0.5 per cent of scheduled bus mileage to be lost for reasons within an operator's control (including peak hour congestion) could also be imposed.

**Customer Care**

E59. The quality of the operation is heavily dependent on the service provided by the drivers and supervisors. It is proposed that the operator will be responsible for regular customer satisfaction surveys and provide customer care training for all staff who interface with the public. Minimum uniform standards will be specified for staff.