

Presentation To TravelWatch NorthWest Conference

17 October 2019

Gary Nolan, Chief Executive



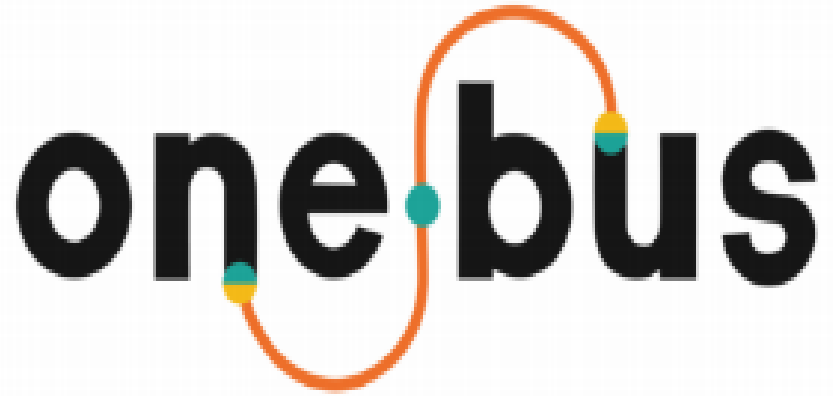
What Is OneBus?

Represents Bus Operators covering around 95% of the commercial mileage in Greater Manchester

Previously known as GMBOA – Greater Manchester Bus Operators Association

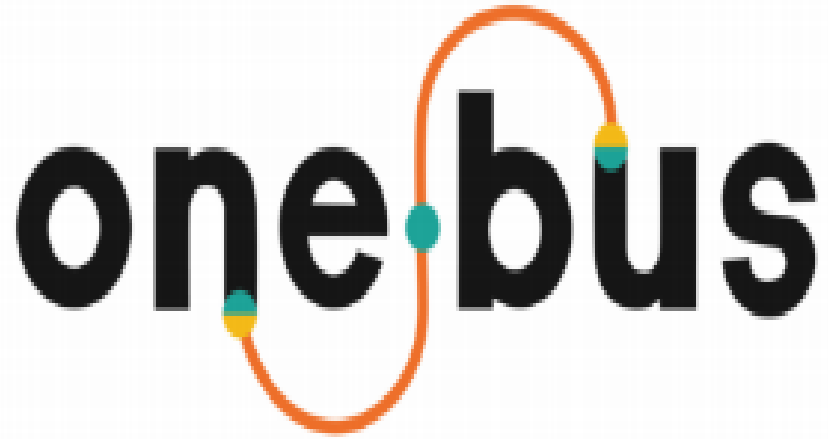
Relaunched in 2018 as OneBus

Common goal to improve bus services across Greater Manchester



Background

The Bus Services Act 2017 provides Mayoral Combined Authorities with the powers to implement bus franchising in their area – akin to the system operated by Transport for London. Other local transport authorities will also be able apply to Government for access to the same powers, where decisions will be taken on a case-by-case basis



The Process

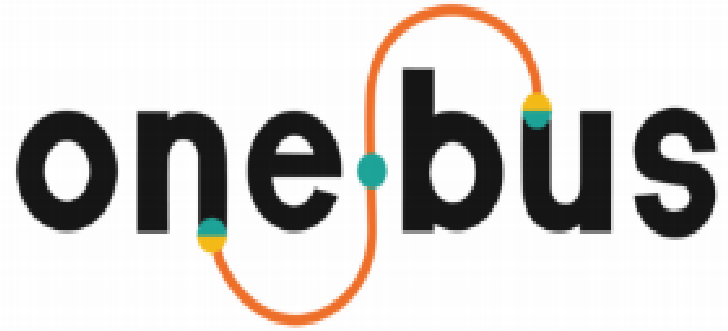
- Developing the compelling case for change
- Setting objectives
- Options generation and refinement
- Detailed assessment of options
- Selection of preferred option



Bus Services Act 2017

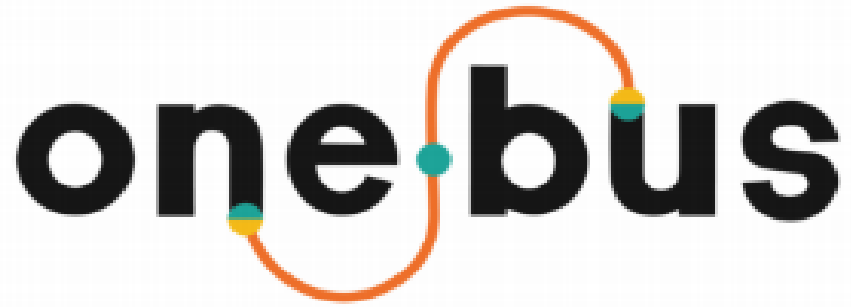
A Government Gift To Manchester

- Options to franchise for LAs with Elected Mayor – But as a Last Resort!
- TfGM obviously delighted
- Transport Strategy 2040 includes:
 - Network Integration – simple and comprehensive
 - Simple Ticketing
 - Great Customer Experience
 - More Cross City services
 - But, no mention of tackling congestion
- Bus Operators propose Partnership to deliver most of these



Operator's Proposal

- Myth Bust
- Draw up draft Partnership Proposal with agreed commitments. LAs needed to tackle congestion, TfGM to improve accessibility and information
- Engage with TfGM and GMCA
- Communicate our promises
- Able to deliver almost all of the 2040 Strategy items without breaking the law much faster and with no risk to the public purse



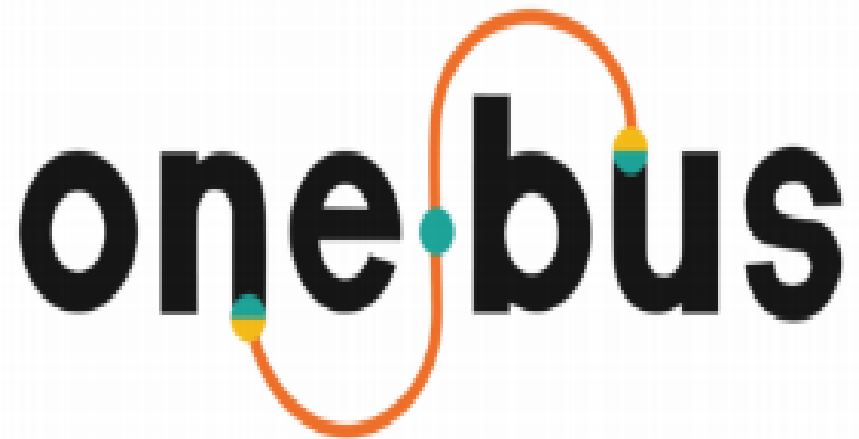
Key Elements of Operator's Offer (1)

- Multi-operator and multi-modal travel products as the prime offer through marketing and retail channels, within a simplified product range.
- Retention of discounted operators' own brand products where these offer customers choice and enhanced value, but ranges adjusted where required to replicate the multi-operator range.
- Operator single fares simplified to a maximum of five fare bands and return fares phased out.
- Commitment to Fair Price Promise capped fares.
- Unified branding for Partnership operations.
- Support for unified portals for information, real-time data, journey planning and customer contact as the prime source of information; operator websites and apps provide signposting and links.



Key Elements of Operator's Offer (2)

- Simplified and clearer off-bus and on-bus retail options.
- Next Stop audio/visual announcement in a phased programme
- Investment in 450 environmentally friendly new buses over 3 years
- Joint reviews of service network within an agreed framework and consultation
- Guaranteed commercial evening and Sunday provision in specified cases and subject to certain conditions.
- Jointly-developed congestion measures to improve journey speeds, and with saved resources re-invested through a development fund.
- Commitment to an expanded TravelSafe partnership

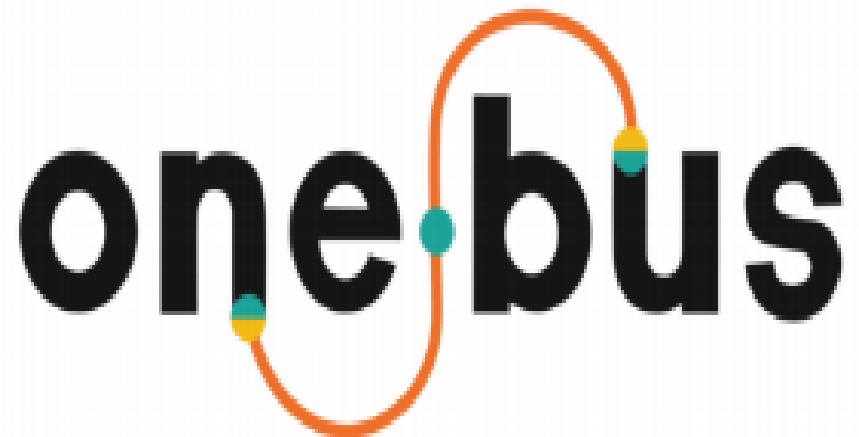


Myth Busting

Too many false claims about the present system to prove the case for Franchising

Failure to understand the industry funding and investment

No understanding of the real issues affecting bus usage



Myth

Busted

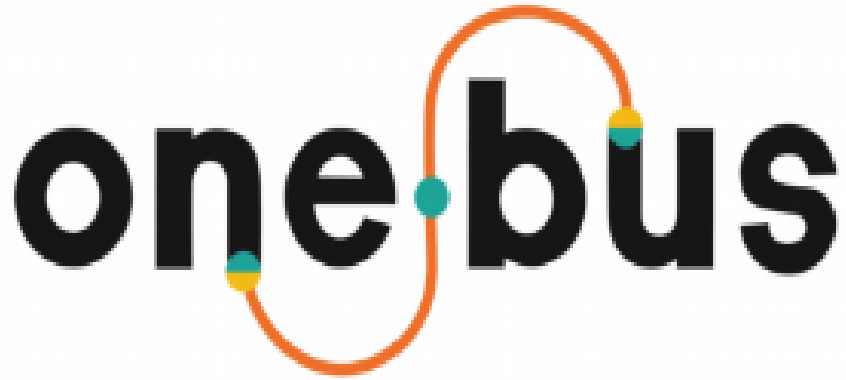
SUBSIDIES

Local Authorities provide subsidies to Operators through the Concessionary Fares Scheme

WRONG The passenger is subsidised by having free travel and the operator is receives a (lower) fare for the journey

Local Authorities provide operators with money to keep services running and are therefore subsidising the industry.

WRONG Where services are deemed as being socially desirable but not commercially viable, Local Authorities decide to procure the service through a competitive tender process. Operators are not forced to take part.



COMPETITION

Operators should charge the same fare and make their timetables more spaced on competing services?

CAN'T - Whilst a positive way forward it would be illegal, anti competitive and offer the customer no choice.

FARES

Fares in London are much lower than in Manchester

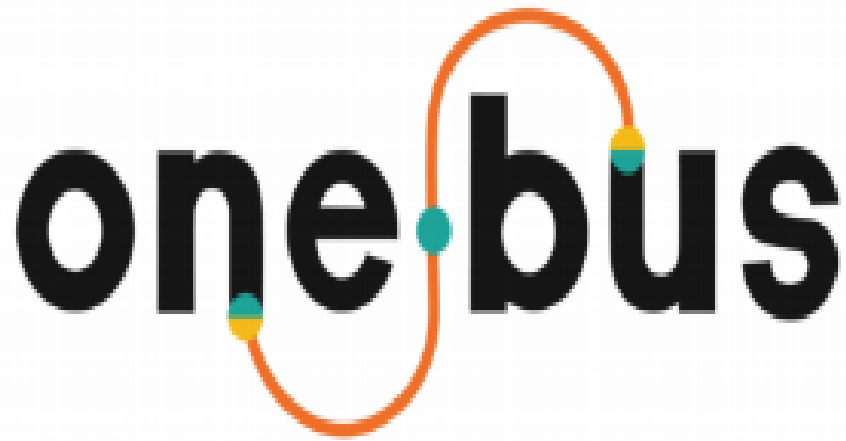
WRONG Whilst there is a £1.50 flat fare on buses in London, regular bus passengers in Manchester pay much less when making multiple journeys using weekly tickets

If I want to use different bus operators, I have to buy a ticket for each

WRONG Multi operator tickets are available System One has an extensive range of multi operator and multi modal tickets

It would be more simple if there was only one fare rather than lots of different fares

WRONG Having one fare benefits those making longer journeys and penalises those making shorter journeys. Distance based fares do not discriminate



PASSENGER NUMBERS

De-regulation brought poor operation and very high fares are leading to high levels of passenger decline

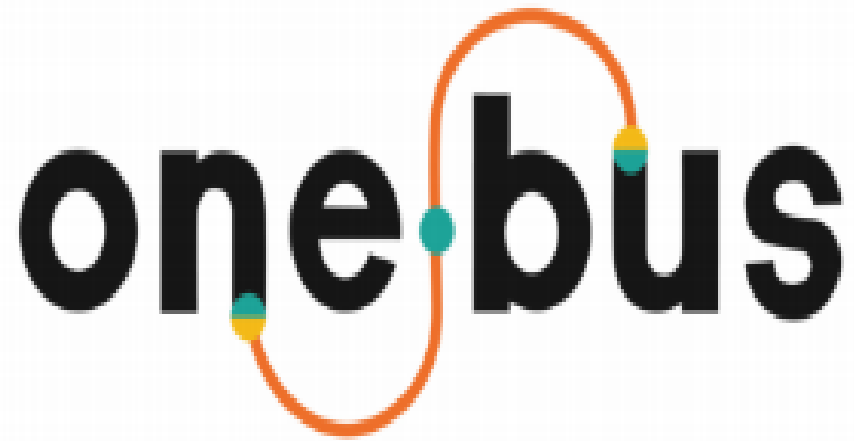
WRONG Over the last 10 years passenger number have fallen by around 8%. The expansion of Metrolink and growing traffic congestion are major factors on bus passenger decline

Bus use in public ownership was much better

WRONG Between 1980 and 1985 - during public ownership - passenger numbers in GM dropped from 417m to 350m: a fall of 16% Then in the years of deregulated public ownership numbers dropped to 252m by 1995 – a fall of 28%. A 40% drop over 15 years!

Transport For Greater Manchester are of the belief that taking buses off busy services and moving them on to lesser used services will generate more passenger trips overall

WRONG Evidence and experience shows that reducing high frequency services reduces real demand and is never replaced by perceived demand in areas not well served.



LONDON

London is still seeing passenger growth

WRONG Last year Londoners made around 2.3% less journeys on their buses and services are now being cut. This is the third consecutive year that has seen bus usage decline in the Capital.

London is the perfect model

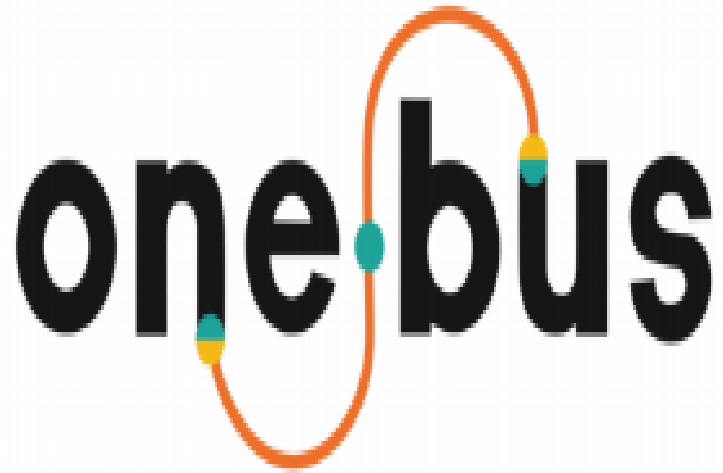
WRONG The system in London is failing, requiring £1.8m per day subsidy and is rapidly running out of money . Fares are planned to be increased, services cut with a planned 6% decrease in mileage.

Travel in London is cheap

WRONG The Mayor of London, Sadiq Khan states in the TfL Paying For Your Travel leaflet that 'London has some of the highest public transport fares in the world'

Public Transport in London is simple to use

WRONG As in any City, it is still necessary to pre plan journeys knowing where to interchange and how much it will cost, remembering that London buses are cashless



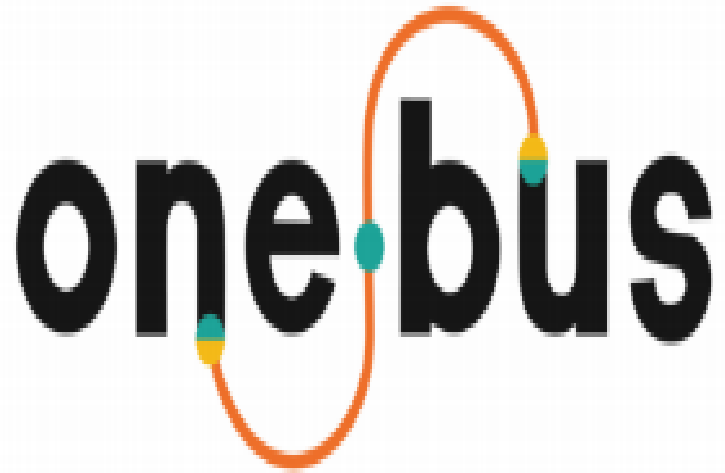
AIR QUALITY

Buses cause most pollution

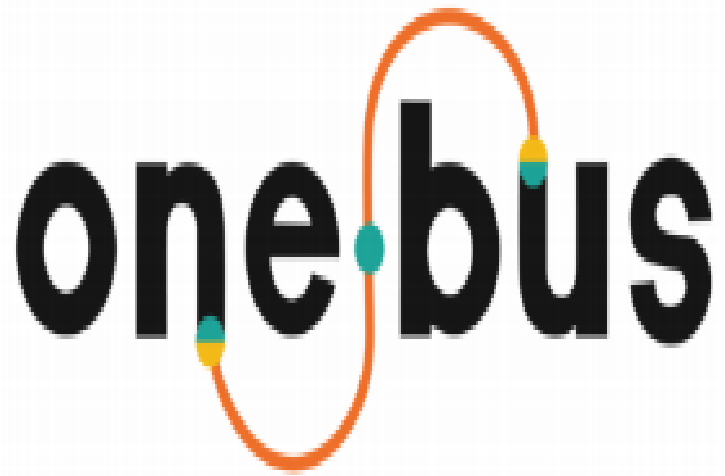
WRONG A single car generates more NOX and carbon particulates than a bus which is capable of taking up to 70 cars off the roads

Buses cause congestion

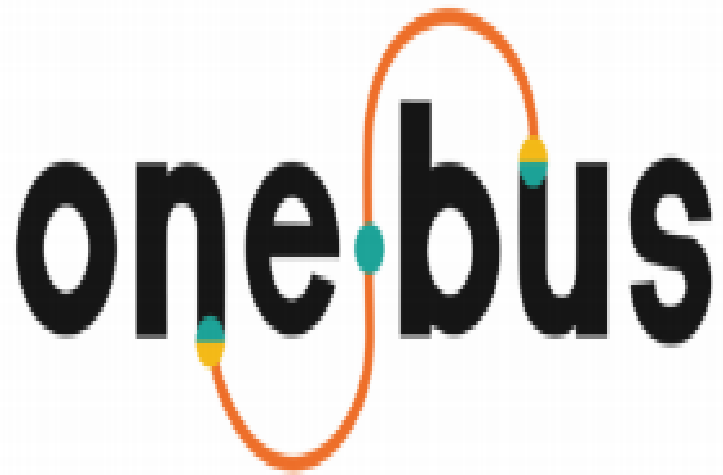
WRONG There are a number of factors that cause congestion, however buses are the cure for congestion not the cause



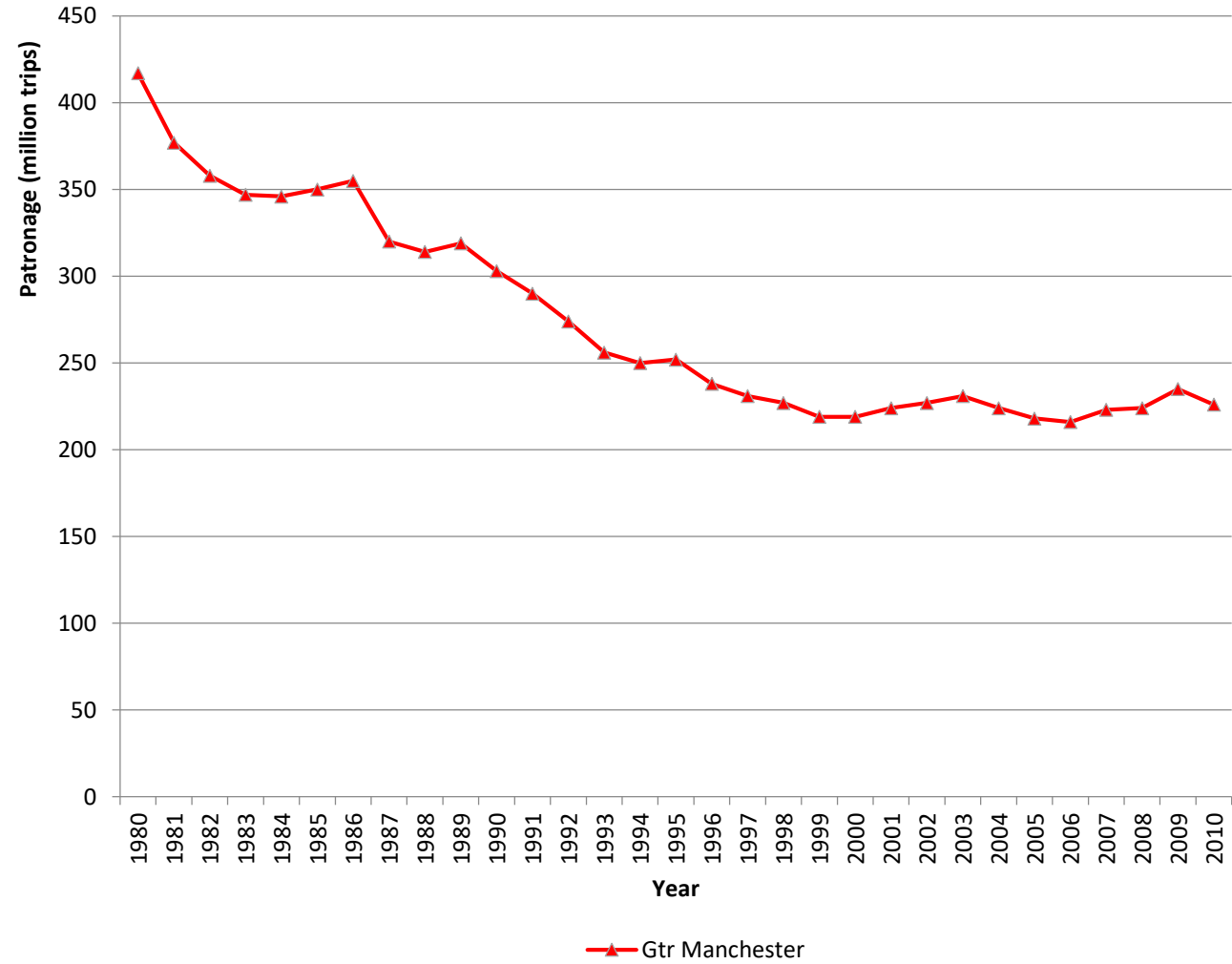
UK AREAS BUS PATRONAGE (millions of trips)						
	UK					
	Nexus	S Yorks	Gtr Manchester	West Midlands	English Met areas	London
1980			417	504	2,207	1,181
1981			377	509	2,033	1,079
1982			358	466	1,981	1,041
1983		347	347	479	2,011	1,087
1984		344	346	497	2,047	1,162
1985		341	350	492	2,068	1,152
1986		268	355	454	1,810	1,164
1987		237	320	443	1,732	1,207
1988		225	314	428	1,695	1,211
1989		192	319	428	1,648	1,188
1990		191	303	413	1,547	1,178
1991		177	290	409	1,478	1,149
1992		176	274	366	1,383	1,129
1993		166	256	366	1,337	1,117
1994		163	250	370	1,330	1,155
1995		161	252	370	1,358	1,193

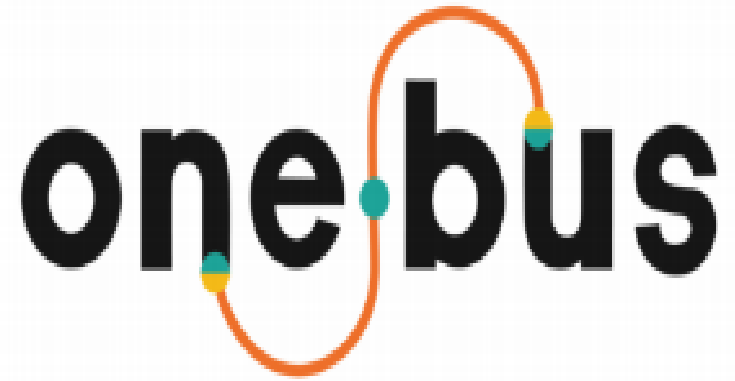


1996		153	238	355	1,310	1,230
1997		147	231	350	1,292	1,281
1998		137	227	345	1,256	1,266
1999		133	219	347	1,213	1,294
2000	158	134	219	345	1,203	1,347
2001	149	131	224	336	1,196	1,422
2002	146	130	227	332	1,182	1,527
2003	140	122	231	340	1,162	1,692
2004	137	113	224	330	1,128	
2005	134	115	218	326	1,066	1,802
2006	129	117	216	325	1,037	1,881
2007	134	119	223	325	1,060	1,993
2008	134	118	224	326	1,075	2,160
2009	140	114	235	319	1,080	2,228
2010	143	113	226		1,073	2,238
2011			224			
2012			219			
2013			220			
2014			217			
2015			211			
2016			208			
2017			201			



Greater Manchester Bus patronage 1980 - 2010

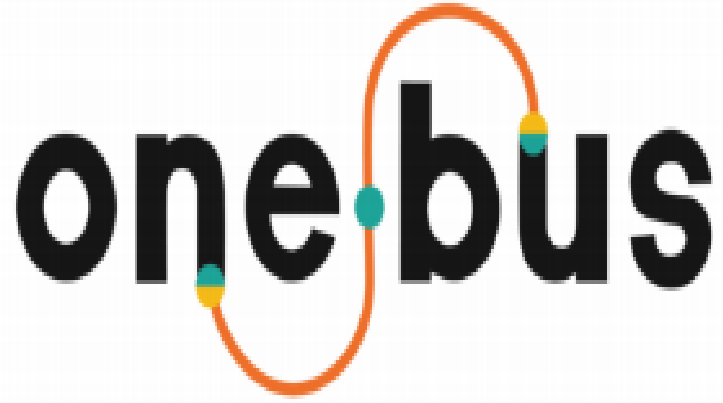




Profits – Fake News



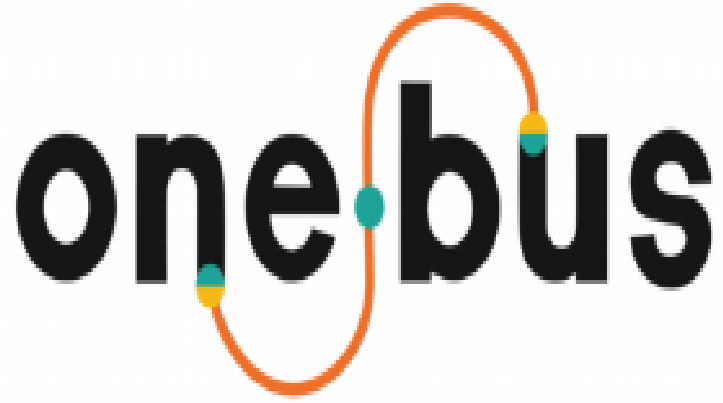
Worsening bus services as shareholders pocket £1.5 billion



Profits -The Facts

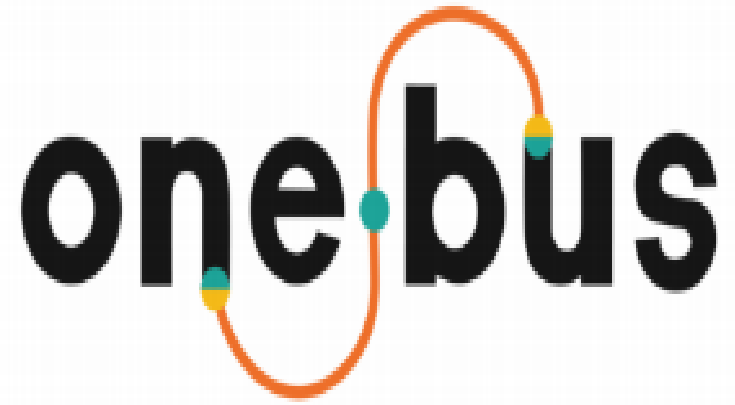
- Whilst operating revenue in GM has increased by 2.15% to £221.4m over the last three years, operating costs have increased by 6.19% to £209.2m. The operating profit margin has therefore fallen by 3.59% to 5.51% - this should be at least 7% for a sustainable business.

The TAS Partnership August 2019

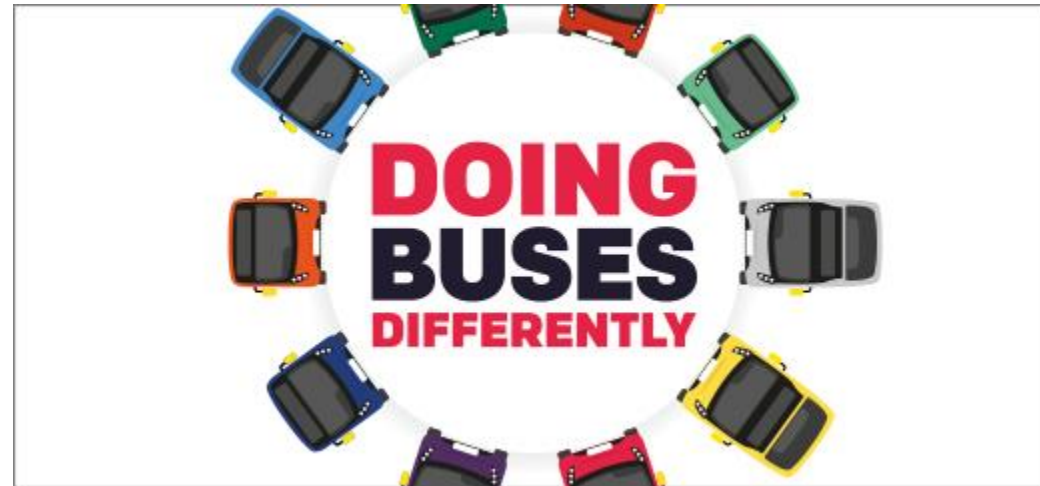


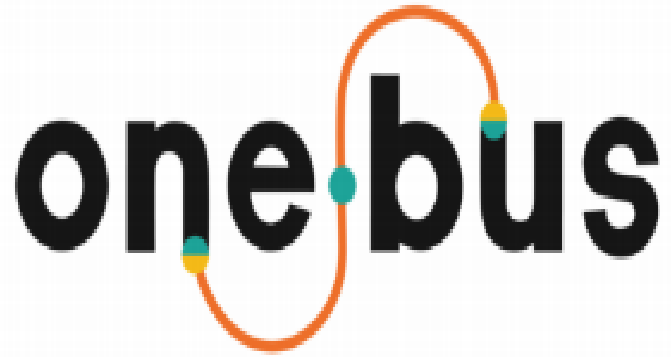
Current Status

- TfGM has completed their assessment of franchising v alternatives
- Independent Audit has been undertaken
- Combined Authority has approved the decision to commence public consultation
- Consultation now open and will run from October to January 2020
- Franchising of services will be completed by 2024



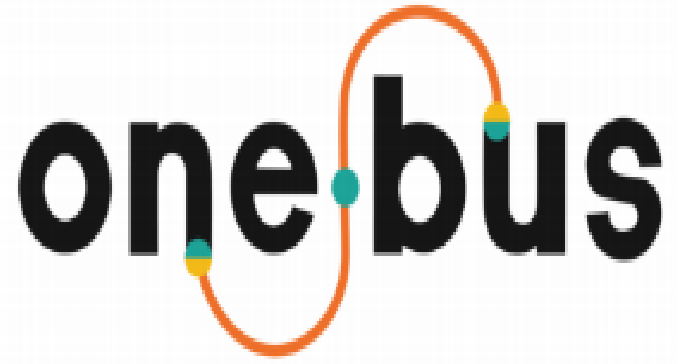
Have Your Say





Pause for Thought

- Is franchising purely political or for the benefit of bus passengers?
- If the latter, why allow what is perceived as being an operation that is not fit for purpose to continue from 2017 to 2024?
- Why invest £0.5bn in Cycling and Walking and £72m in Metrolink with only £1m for buses if transport is so important.
- Why put further risk on local council tax payers when the operators are willing to retain the risk and pass some control to the CA?
- Under the present system investment comes from operator profits. Under a franchise, investment can only come from taxes.
- How much will it all cost and what if the numbers are wrong?



Thank You!

Any Questions?