

**Greater Manchester Transport Committee
Bus Services Sub Committee**

Date: 13 November 2020
Subject: Bus Performance Report
Report of: Interim Head of Bus Services

PURPOSE OF REPORT

To inform members of the performance of the Greater Manchester bus network during the September 19 to August 20 period, with particular focus on the subsidised bus network.

RECOMMENDATIONS:

Members are asked to note the content of the report

CONTACT OFFICERS:

| | | |
|--------------|--------------------------------------|---|
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Risk Management – n/a

Legal Considerations – n/a

Financial Consequences – n/a

Financial Consequences – n/a

Number of attachments included in the report: 0

BACKGROUND PAPERS: None

| TRACKING/PROCESS | | |
|--|-------------------------------|----|
| Does this report relate to a major strategic decision, as set out in the GMCA Constitution | | No |
| EXEMPTION FROM CALL IN | | |
| Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? | | No |
| GMTC | Overview & Scrutiny Committee | |
| N/A | N/A | |

1 INTRODUCTION

- 1.1 Greater Manchester has an extensive bus network covering approximately 57.5 million miles in 2019/20 and supporting an annual ridership of 186.7 million passengers. The network (719 services), is provided on both a commercial and subsidised basis by over 35 operators (as at August 2020).
- 1.2 Transport for Greater Manchester (TfGM), financially supports and manages the subsidised bus network on behalf of the Greater Manchester Combined Authority (GMCA). The subsidised network (17.15% of the network mileage) is provided utilising a revised budget of £29.3 million (2020/21). The funding level supports areas of the network which are not deemed commercially viable by operators, but are considered socially necessary, and also delivers an extensive network of school bus services.
- 1.3 Bus service provision represents a vital element of the Greater Manchester public transport network. Currently, three out of every four public transport journeys in Greater Manchester are undertaken by bus services. It is therefore essential that the performance of the bus network is closely monitored and understood, ensuring that not only is the quality of provision and customer journey experience maintained and enhanced, but the subsidised services budget is effectively and efficiently deployed.
- 1.4 Transport Focus surveys have consistently indicated that key customer priorities are value for money, driver behaviour, punctuality and journey time.
- 1.5 This report covers the period of September 2019 – August 2020 which includes the start of the ongoing pandemic, a period of national lockdown along with subsequent government support measures, including advising where possible for people to work at home, essential travel only messaging and social distancing on buses reducing passenger capacity.
- 1.6 These measures have impacted bus travel and therefore the contents of this report along with TfGM reporting capabilities during periods of the pandemic. This has included the following:
 - Suspension of the performance monitoring and reporting of the network (via the Punctuality Reliability Monitoring System) during the period of mid-March 2020 to the start of September 2020.
 - Suspension of the observation of contract breaches and therefore the amount of contract deductions made during April and May 2020.
- 1.7 Patronage and mileage reporting continued throughout the pandemic period but both measures were significantly impacted and hence has affected the overall cost per passenger and potentially the level of customer comments received by TfGM.

- 1.7.1 Commercial network - April saw a reduction in network mileage of 60% as operators responded to the essential travel only message which saw patronage fall to 10% of normal levels. As measures eased in June including the opening of non-essential retail, services were increased to around 70% of pre Covid levels. Further easing of restrictions saw mileage return to 100% of pre Covid levels by September. It is to be noted that social distancing requirements on vehicles were introduced in June and are still in place. Capacities on vehicles range between 30 and 50% maximum occupancy.
- 1.7.2 Subsidised network – April saw a reduction in network mileage of 52% as TfGM responded to the essential travel only message which saw a similar reduction in patronage to that of the commercial network. School services were reduced or suspended in line with the requirements of each school with regards travel for key worker children. Services remained in place with a reduced frequency to respond to limited demand. The easing of restrictions saw mileage and services return to 100% of pre Covid levels on the 15th June 2020.

2 OPERATIONAL PERFORMANCE

- 2.1 This section of the report presents network wide bus operational performance statistics for the Greater Manchester region, extracted from TfGM’s in-house Punctuality Reliability Monitoring System (PRMS). Performance levels are tracked against the Code of Conduct Voluntary Partnership Agreement (CoC VPA) and Traffic Commissioner targets.
- 2.2 Figure 1 provides a comparison between financial years 2018/2019 and 2019/2020 of the key bus services operational performance indicators, split between those registered to adhere to a timetable with specific departure times (scheduled services) and those registered to operate six buses an hour or more, with the associated timetable stating the service frequency (frequent services).

Figure 1: Bus Service Operational Performance

| Indicator | Standard | 2018/2019 | | 2019/2020 | | Direction Change |
|---------------------------|----------|------------------------|--------|------------------------|--------|---|
| | | Number of Observations | % | Number of Observations | % | |
| Scheduled Services | | | | | | |
| Reliability | 97.00% | 74,316 | 97.95% | 64,069 | 97.78% |  |
| Start Point Punctuality | 90.00% | 35,719 | 88.08% | 30,782 | 88.43% |  |
| Mid-Point Punctuality | 70.00% | 38,597 | 81.94% | 33,287 | 79.85% |  |
| Overall Punctuality | 80.00% | 74,316 | 84.89% | 64,069 | 83.97% |  |
| | | | | | | |

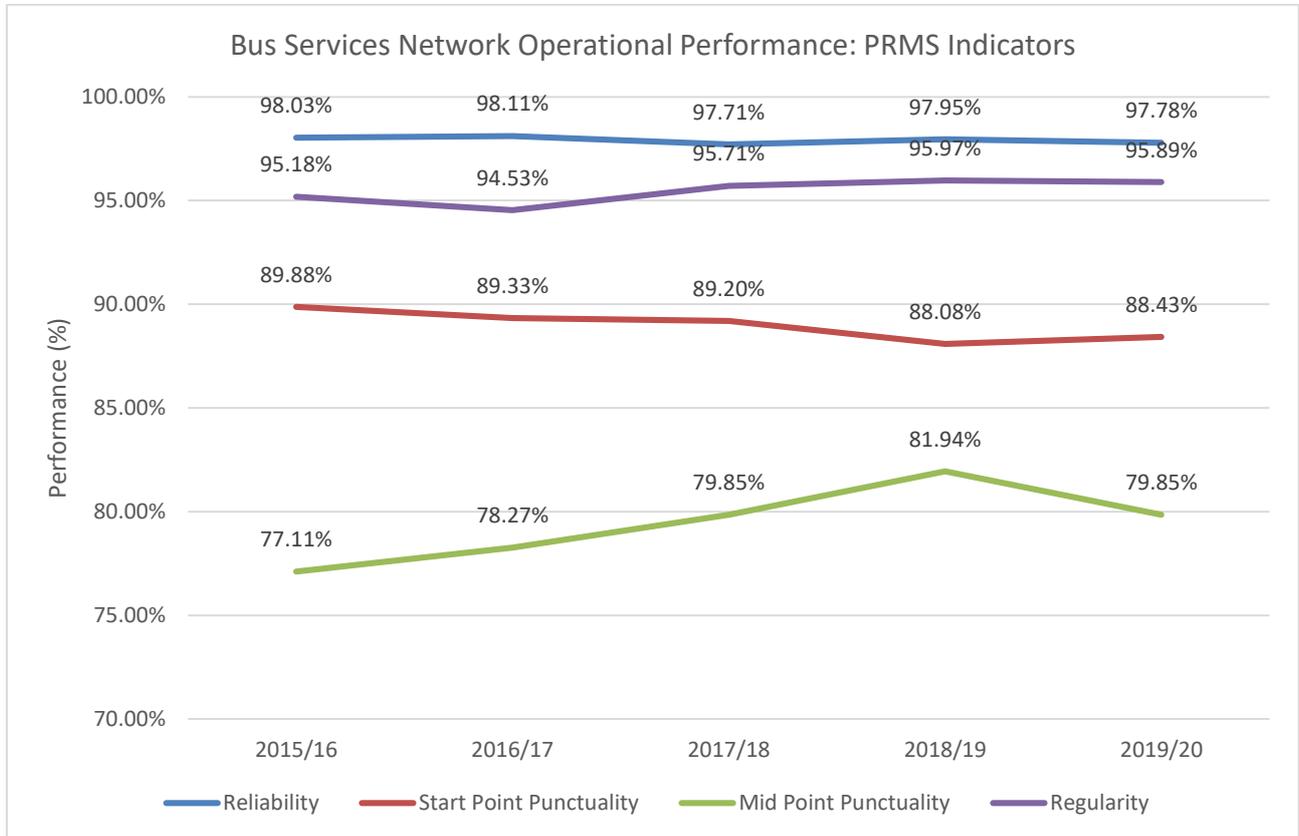
| Indicator | Standard | 2018/2019 | | 2019/2020 | | Direction Change |
|--------------------------|----------|------------------------|--------|------------------------|--------|---|
| | | Number of Observations | % | Number of Observations | % | |
| Frequent Services | | | | | | |
| Regularity | 97.00% | 30,426 | 95.97% | 27,190 | 95.89% |  |
| | | | | | | |

Scheduled Service Performance

- 2.3 The reliability of scheduled services (Figure 1) at the network level was 97.78% for the 2019/2020 financial year, representing a broadly stable position from the level achieved in the 2018/2019 financial year (97.95%). The level of performance remains above the CoC VPA minimum standard of 97.00%.
- 2.3.1 Over the last 5 years, the reliability of scheduled services (Figure 3) at the network level has remained above the CoC VPA standard of 97.00%.
- 2.4 Start-point punctuality of scheduled services is an area where TfGM has sought more action on the part of the operator, as it is incumbent on them to provide reasonable recovery time and develop contingency plans to enable journeys to start punctually. Traffic congestion in the Regional Centre has historically hampered the increased recovery times put in place by some operators, particularly given the limited space available for vehicle layover. Automatic Vehicle Location (AVL) performance information is also been used widely to identify timing problems and what can be done to improve the situation.
- 2.5 The start-point punctuality of scheduled services (Figure 1) at the network level was 88.43% for the 2019/2020 financial year, representing an improvement from the level achieved in the 2018/2019 financial year (88.08%). The level of performance remains below the CoC VPA minimum standard of 90.00%.
- 2.5.1 Over the last 5 years, start-point punctuality of scheduled services (Figure 3) at the network level has remained below the CoC VPA minimum standard of 90.00%. Performance fell between 2015/2016 and 2018/2019, before improving in 2019/2020.
- 2.6 The mid-point punctuality of scheduled services (Figure 1) at the network level was 79.85% for the 2019/2020 financial year, representing a fall in performance from the level achieved in the 2018/2019 financial year (81.94%). The level of performance remains above the CoC VPA minimum standard of 70.00%.
- 2.6.1 Over the last 5 years, mid-point punctuality of scheduled services (Figure 3) at the network level has remained above the CoC VPA minimum standard of 70.00%. Performance was improving between 2015/2016 and 2018/2019, before falling in 2019/2020.
- 2.7 Overall punctuality for scheduled services (Figure 1) at the network level was 83.97% for the 2019/2020 financial year, representing a slight fall from the level achieved in the

2018/2019 financial year (84.89%). The level of performance remains above the CoC VPA minimum standard of 80.00%.

Figure 2: Bus Services Network Operational Performance and Trend



Frequent Service Performance

- 2.8 In the case of frequent services, the key issue for passengers is not the adherence to a specific set of timetabled departures, but the regularity of the service compared to their expectations. Performance is measured at intermediate timing points of a journey therefore this is another area where the CoC VPA has acknowledged there may be a need for highways management interventions to achieve the minimum standards.
- 2.9 The mid-point regularity of frequent services (Figure 1) at the network level was 95.89% for the 2019/2020 financial year, representing a broadly stable position from the level achieved in the 2018/2019 financial year (95.97%). The level of performance remains below the CoC VPA minimum standard of 97.00%.
- 2.9.1 Over the last 5 years, mid-point regularity of frequent services (Figure 3) at the network level has remained below the CoC VPA minimum standard of 97.00%.

Fleet Profile

2.10 Since 1992, European Union regulations have been imposed on new engines, with the aim of improving air quality - meaning an engine must meet certain Euro emissions standard when it is made. The aim of Euro emissions standards is to reduce the levels of harmful exhaust emissions, chiefly:

Nitrogen oxides
Carbon monoxide
Hydrocarbons
Particulate matter

2.10.1 The first Euro emission standard (Euro 1) was introduced in 1992 and the latest Euro 6 emission standard in 2015.

2.10.2 A hybrid engine combines a petrol or diesel engine with an electric motor powered by a battery. The battery is charged by capturing energy from braking and, under certain conditions, from the engine.

2.11 Figure 3 highlights the observed profile of the network bus fleet, in terms of vehicle age and the engine emissions standard, based on observations taken on both the frequent and scheduled services via the PRMS.

Figure 3: Vehicle Fleet Profile

| Vehicle Type | 2018/2019 | 2019/2020 | Direction Change |
|-----------------------|------------------|------------------|---|
| Euro IV+ | 93.80% | 95.40% |  |
| Euro VI | 22.53% | 24.18% |  |
| Hybrid Diesel | 18.61% | 17.33% |  |
| | | | |
| Vehicle Age (Average) | 7.8 years | 8.6 years |  |
| | | | |

2.12 In the financial year 2019/2020, 95.40% of the vehicle engines were of an emission standard of 4 and above and 24.18% of these vehicle engines were of an emission standard of 6, an increase compared with the financial year 2018/2019, with the aim of improving air quality. However, the usage of hybrid diesel engines has fallen between financial year 2019/2020 and 2018/2019, from 18.61% to 17.33%.

2.13 The average age of the vehicle fleet has increased between financial years 2018/2019 and 2019/2020 and now stands at 8.6 years in 2019/2020. The Department of Transport (DfT) most recent annually reported average vehicle fleet age for England was 7.6 years in

2018/2019*, comparable with the TfGM figure for the same period. The England outside London average vehicle age for the same period was 8.3 years*.

**Department for Transport Annual Bus Statistics for England 2018/2019, Bus Indicator 0605*

3 SUBSIDISED BUS NETWORK PERFORMANCE

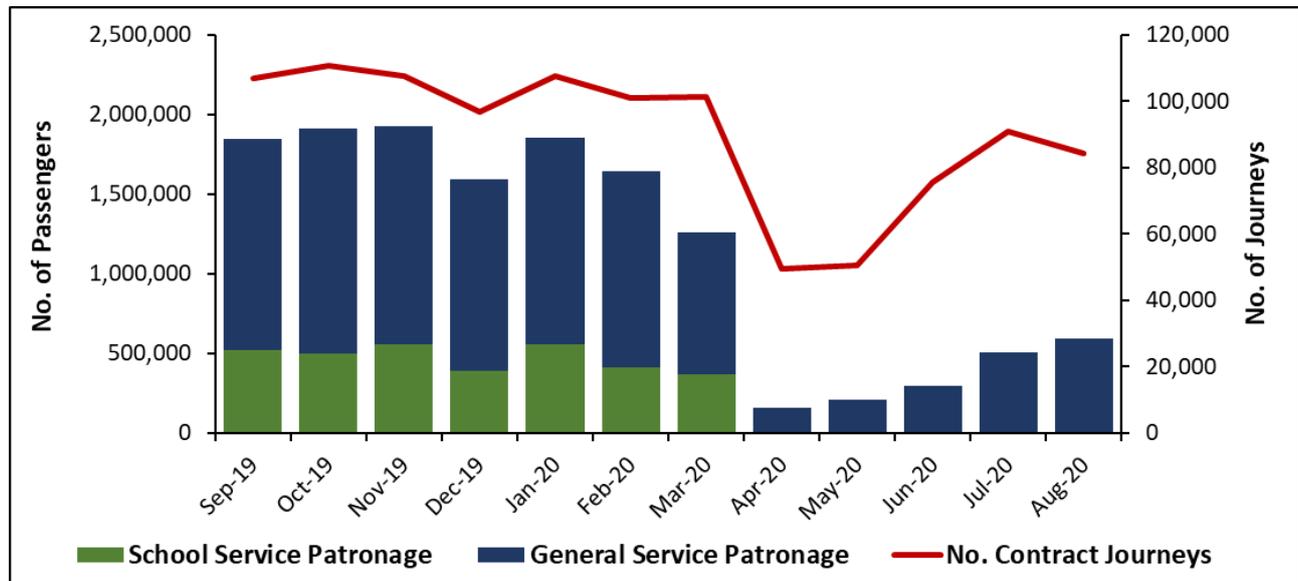
Overview

- 3.1 Over the 12-month period September 2019 – August 2020, the total estimated bus network mileage within Greater Manchester was 49,065,190 miles. Commercial services provided 82.85% (40,649,326 miles) of the total estimated bus network mileage and TfGM subsidised the remaining 17.15% (8,415,864 miles), supporting socially necessary and school bus services.
- 3.2 In August 2020, there were 490 subsidised service contracts in operation, compared with 528 in August 2019. In August 2020, there were 298 school subsidised service contracts and 192 general (normal) subsidised service contracts, provided by a total of 22 operators. The largest 3 operators of subsidised service contracts in August 2020 were Stagecoach Manchester (136 contracts/27.76% market share), Vision Bus (53 contracts/11.82% market share) and RS Tyrer and Sons (51 contracts/10.41% market share).
- 3.3 In August 2020, subsidised bus mileage was estimated to be 727,209 miles, compared with 801,020 miles in August 2019, a reduction of 9.21%. The largest 3 operators of subsidised bus mileage in August 2020 were Stagecoach Manchester (220,879 miles/30.37% mileage share), Diamond Bus (134,277miles/18.46% mileage share) and Stott's of Oldham (69,182 miles/9.51% mileage share).

Patronage

- 3.4 Patronage information is collated and analysed each month to identify trends, increase our understanding of passenger demand across the subsidised bus network and facilitate contract management. Figure 4 presents the monthly patronage profile on subsidised bus services, along with the number of contracted journeys for the September 2019 – August 2020 period.

Figure 4: Subsidised Bus Service Patronage (September 2019 – August 2020)



Please Note: Impact of the COVID-19 pandemic on Figure 4 explained in section 3.9

- 3.5 Overall subsidised service patronage, including the school and general services for September 2019 – August 2020 was 13,803,017, on 1,083,192 journeys, with an average of 13 passengers per journey. The level of patronage has decreased by 30% (5,872,690 passengers) compared with the patronage level recorded in 2019/2020 of 19,675,707 passengers, and reflects the change in bus travel during the ongoing pandemic. The number of journeys has also fallen, by 13% compared with the number of journeys recorded in 2019/2020 of 1,248,332 journeys. Average passengers per journey in 2019/2020 was 16.
- 3.6 General services subsidised service patronage for September 2019 – August 2020 was 10,486,053. The level of patronage has also decreased by 30% (4,442,020 passengers) compared with the patronage level recorded in 2019/2020 of 14,928,073 passengers.
- 3.6.1 Between September 2019 – August 2020, the main 3 operators carrying general services subsidised patronage were; Stagecoach Manchester (47.58% and 4,914,838 passengers), Diamond Bus (11.32% and 1,169,274 passengers) and Manchester Community Transport whom have now ceased operating (8.31% and 858,655 passengers).
- 3.7 Schools subsidised service patronage for September 2019 – August 2020 was 3,316,964. The level of patronage has also decreased by 30% (1,430,670 passengers) compared with the patronage level recorded in 2019/2020 of 4,747,634 passengers. This is a result of the school closures between March and July 2020.

- 3.7.1 Between September 2019 – August 2020, the main 3 operators carrying schools subsidised patronage were: Stagecoach Manchester (25.15% and 834,047 passengers), R.S Tyrer and Sons (21.58% and 715,602 passengers) and Vision Bus (11.52% and 381,939 passengers).
- 3.8 Subsidised service patronage fell significantly in April 2020, due to the ongoing COVID-19 pandemic and subsequent government measures of a national lockdown, advising where possible for people to work at home, essential travel only messaging and social distancing on buses reducing passenger capacity. Subsidised service patronage has slowly increased between April 2020 and August 2020, though remains 77% lower compared with the same period last year (April 2019 – August 2019: 7,639,779 passengers, April 2020 – August 2020: 1,767,089 passengers).

Contract Cost

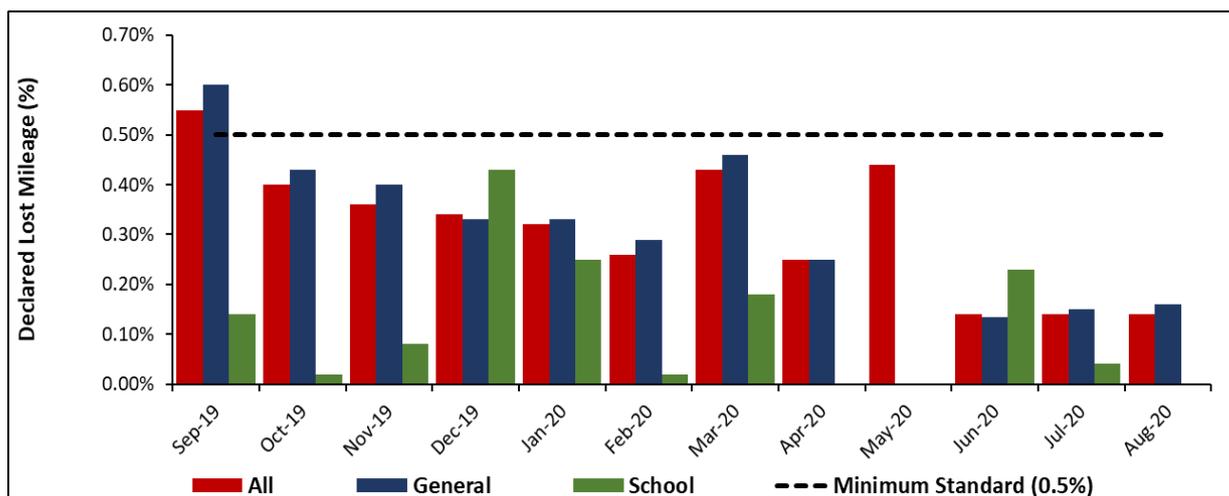
- 3.9 Contract payments for the subsidised services totalled £28,199,377.00 for the period of September 2019 – August 2020. This is a 4.90% (£1,317,055.00) increase on the expenditure for contract payments in the 2019/2020 financial year (£26,882,322,00).
- 3.10 The cost per passenger for the period of September 2019 – August 2020 was £2.04, an increase of 49.53% compared with the cost per passenger for the 2019/2020 financial year of £1.37.

Declared Lost Mileage

- 3.11 Operators are contractually obliged to declare any lost mileage that occurs on TfGM contracts each month and these declarations are subsequently verified through analysis of their electronic ticket machine data. The proportion of declared lost mileage incurred on the subsidised service network between September 2019 and August 2020, broken down by contract type is presented in Figure 5.
- 3.12 Between September 2019 and August 2020, the declared lost mileage for all subsidised services was 28,357 miles, which represented 0.32% of the subsidised scheduled mileage. This represented a slight improvement compared with the 2019/2020 financial year declared lost mileage for all subsidised services of 31,746 miles, representing 0.34% of the subsidised scheduled mileage. Declared lost mileage continues to be below the industry standard of 0.5%.
- 3.13 General subsidised declared lost mileage for the period between September 2019 and August 2020 was 27,335 miles, representing 0.34% of the general subsidised scheduled mileage. This represented a slight improvement compared with the 2019/2020 financial year declared lost mileage for general subsidised services of 30,776 miles, representing 0.36% of the general subsidised scheduled mileage. Declared lost mileage continues to be below the industry standard of 0.5%.

3.14 Schools subsidised declared lost mileage for the period between September 2019 and August 2020 was 1,022 miles, representing 0.12% of the school subsidised scheduled mileage. This represented no change compared with the 2019/20 financial year declared lost mileage for schools subsidised services of 941 miles, representing 0.12% of the schools subsidised scheduled mileage. Declared lost mileage continues to be below the industry standard of 0.5%.

Figure 5: Declared Lost Mileage (September 2019 – August 2020)



3.15 The main 3 reasons for declared lost mileage for all subsidised services as identified by operators during the period between September 2019 and August 2020 were: vehicle (bus) breakdowns (29.38% affecting 8,332 miles), staff and operational issues (21.45% affecting 6,083 miles) and traffic delays (16.33% affecting 4,630 miles).

Operational Performance

Figure 6: Subsidised Bus Network Operational Performance

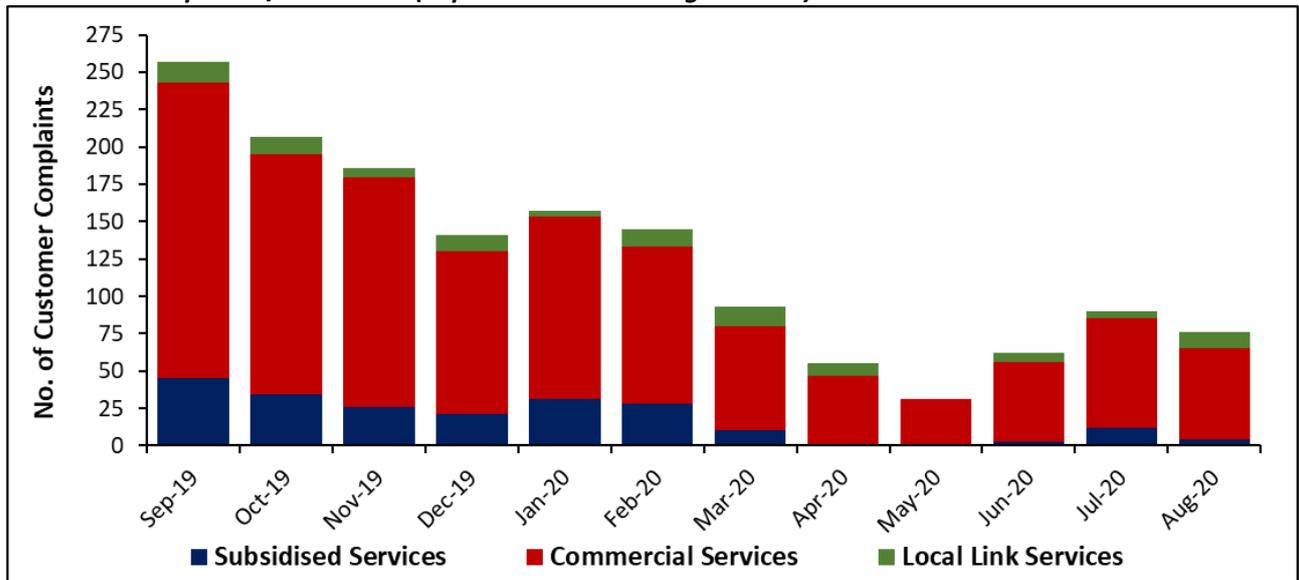
| Indicator | Standard | 2018/2019 | | 2019/2020 | | Direction Change |
|---------------------------|----------|------------------------|--------|------------------------|--------|------------------|
| | | Number of Observations | % | Number of Observations | % | |
| Scheduled Services | | | | | | |
| Reliability | 97.00% | 14039 | 99.11% | 14269 | 97.92% | ↓ |
| Start Point Punctuality | 90.00% | 10853 | 89.29% | 10616 | 88.23% | ↓ |
| Mid-Point Punctuality | 70.00% | 3186 | 86.94% | 3581 | 75.59% | ↓ |
| Overall Punctuality | 80.00% | 14039 | 88.76% | 14197 | 85.04% | ↓ |

- 3.16 The reliability of subsidised scheduled services (Figure 6) was 97.90% for the 2019/2020 financial year, representing a fall from the level achieved in the 2018/2019 financial year (99.11%). The level of performance remains above the CoC VPA minimum standard of 97.00%.
- 3.17 The start-point punctuality of subsidised scheduled services (Figure 6) was 88.23% for the 2019/2020 financial year, representing a fall from the level achieved in the 2018/2019 financial year (89.30%). The level of performance remains below the CoC VPA minimum standard of 90.00%.
- 3.18 The mid-point punctuality of subsidised scheduled services (Figure 6) was 75.59% for the 2019/2020 financial year, representing a fall in performance from the level achieved in the 2018/2019 financial year (86.90%). The level of performance remains above the CoC VPA minimum standard of 70.00%.
- 3.19 Overall punctuality for subsidised scheduled services (Figure 6) was 85.04% for the 2019/2020 financial year, representing a fall from the level achieved in the 2018/2019 financial year (88.76%). The level of performance remains above the CoC VPA minimum standard of 80.00%.
- 3.20 Figure 6 shows that overall network performance has deteriorated. Where these issues are encountered the Bus Services team act to ensure that timetables are amended appropriately if this is identified as an issue, or to take action individually with operators where under performance is identified in reliability and punctuality. This can include the implementation of Performance Improvement Plans and payment deductions where appropriate.

Customer Comments

- 3.21 There were 206 subsidised bus service comments/complaints received by TfGM during the period of September 2019 to August 2020, which were within the operators control and their responsibility. This is a reduction of 19% in the number of comments/complaints received during the 2019/2020 financial year of 254, which were deemed within the operators control and their responsibility.
- 3.22 There were 74 local link comments/complaints received by TfGM during the period of September 2019 to August 2020. This is a reduction of 44% in the number of comments/complaints received during the 2019/2020 financial year of 131.

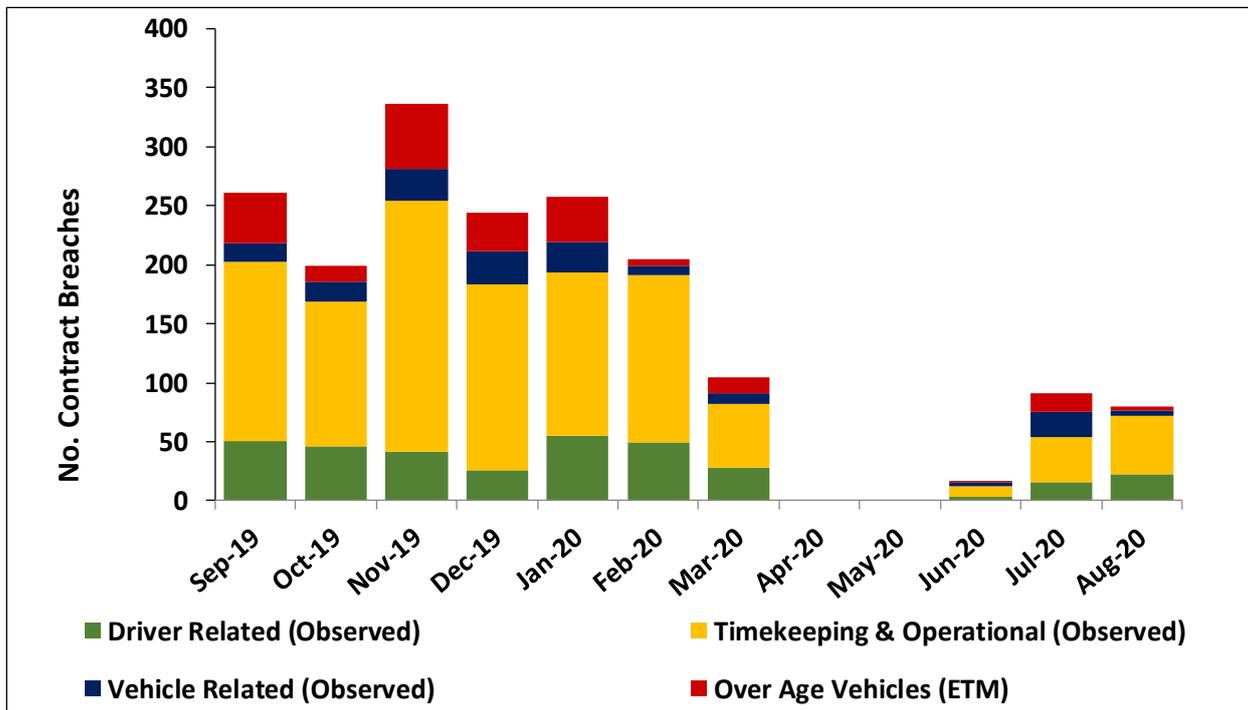
Figure 7: Customer complaints/comments (September 2019 – August 2020)



Contract Breaches

- 3.23 Contract breaches are reported failures to deliver a subsidised service in accordance with the contract specification and will culminate in a financial deduction being made from the operator’s monthly payment. The level of financial penalty is dependent on the number and composition of breach types. Figure 8 shows the monthly number of contract breaches by type and source for the period of September 2019 – August 2020.
- 3.24 There was a total of 1,796 contract breaches (observed and via the Electronic Ticket Machine (ETM)) between September 2019 and August 2020. This is a reduction of 26.30% in the number of contract breaches identified during the 2019/2020 financial year of 2,437.
- 3.25 59.91% of contract breaches between September 2019 and August 2020 were attributed to timekeeping and operational breaches (1,076), 18.76% were driver related (337), 12.47% were due to over-aged vehicles (224) and 8.85% were vehicle related (159).

Figure 8: Contract Breaches (September 2019 – August 2020)



Vehicle Profile

- 3.26 An average of 1,670 vehicles were deployed each month on the Greater Manchester subsidised bus network during the period of September 2019 – August 2020.
- 3.27 In August 2020, the average age of the vehicle fleet used on the subsidised network was 8.80 years. When compared by contract type, the average age of the vehicle fleet used on general services was 8.80 years and on the school network was 12.92 years. The average age of the vehicle fleet overall and on both the general and schools network remains below TfGM tendered age limit of 15 years.

Deductions from Operator Payments

- 3.28 Contract deductions are a financial deduction made from the operator’s monthly payment. Declared lost mileage and contract breaches, including employing overage vehicles on the network contribute towards the financial deductions made.
- 3.29 Contract deductions for the subsidised services totalled £202,089.00 for the period of September 2019 – August 2020. This is a 4.79% (£10,156.00) decrease on the contract deductions made in the 2019/2020 financial year (£212,245.00).

3.30 Contract deductions represented 0.72% of the total contract payments paid (£28,199,377.00) in the period of September 2019 – August 2020, compared with 0.79% of the total contract payments paid (£26,882,322.00) during the financial year of 2019/2020.

4 COVID 19 BUS SERVICES SUPPORT GRANT (CBSSG)

4.1 The CBSSG and subsequent CBSSG Restart schemes were introduced by the DfT in recognition of the severe issues caused for bus operators as a result of the Covid 19 measures. The overarching aim of the fund is to ensure that operators remain viable while continuing to provide key services, and that the bus industry is able to support the economic recovery once the crisis has passed.

4.2 TfGM has played a more significant role in dispersing these funds to operators than other comparable Authorities, this is because TfGM already has devolved responsibility in respect of the payment of commercial BSOG to operators. As part of this process, TfGM has paid an average of £3m per month to commercial operators in Greater Manchester using funds provided by DfT but managed and calculated by TfGM. Similarly monthly amounts to tendered service operators have been paid where revenue has been impacted directly by the effects of the pandemic to the value of approximately £140,000 per month.

4.3 Under the auspices of the scheme, operators may not make a profit and TfGM is also responsible for the management of a significant reconciliation process to ensure that this is the case.

4.4 The future of this fund is subject to a relatively short 8 week notice period but is dependent on the lifting of social distancing which would allow operators to run vehicles at full capacity.

5 RECOMMENDATIONS

5.1 Recommendations are set out at the front of this report

Alison Chew
Interim Head of Bus Services