

GREATER MANCHESTER TRANSPORT COMMITTEE BUS SUB-COMMITTEE

Date: Friday 18 March 2022

Subject: Bus Network Performance Report

Report of: Stephen Rhodes, Customer Director & Interim Head of Bus Services, TfGM

Purpose of Report

To inform members of the performance of the Greater Manchester bus network during the August 21 to January 22 period, with particular focus on the subsidised bus network.

Recommendations:

Members are asked to note and comment on the contents of the report.

Contact Officers

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Equalities Implications

N/A

Climate Change Impact Assessment and Mitigation Measures

N/A

Risk Management

N/A

Legal Considerations

N/A

Financial Consequences – Revenue

N/A

Financial Consequences – Capital

N/A

Number of attachments to the report: 0

Comments/recommendations from Overview & Scrutiny Committee

N/A

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

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

1 INTRODUCTION

- 1.1 Greater Manchester has an extensive bus network covering approximately 52.5 million miles between February 2021 and January 2022 (an increase of 14% compared with the financial year of 2020/2021) and supporting an annual ridership of 122.2 million passengers (an increase of 51.3 million passengers compared with the financial year of 2020/21). The network (583 services) is provided on both a commercial and subsidised basis by 40 operators (as of January 2022).
- 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 (17.8% of the overall network mileage) is provided utilising a budget of £31 million (2021/22). 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 August 2021 – January 2022 which includes the impact 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 Patronage and mileage reporting continued throughout the pandemic period but both measures were significantly impacted and a return to pre-Covid patterns of travel have yet to become clear.

- 1.7 Commercial network – this has operated at around 80-90% of pre-Covid levels during the period of reporting though it is to be noted that reductions have been made to frequencies in many cases as a result of the significant and ongoing national driver shortage.
- 1.8 Subsidised network – General subsidised bus services operated at 100% of pre-Covid mileage throughout the reporting period. In addition, school service mileage was also at 100% of pre-Covid levels.

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 internal and Traffic Commissioner targets.
- 2.2 Figure 1 provides a comparison of the months August – January in 2020/2021 and 2021/2022 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).
- 2.3 PRMS manual observations were suspended between April 2020 and September 2020 due to the coronavirus pandemic. Estimates for these months have been generated using the previous 3 years of data (17/18, 18/18 and 19/20) for reliability, punctuality, and regularity. The 2020/2021 results include these estimates along with actual survey observations for the period of October 2020 – March 2021.

Figure 1: Bus Service Operational Performance

Indicator	Standard	August 2020 – January 2021		August 2021 – January 2022		Direction Change
		Number of Observations	%	Number of Observations	%	
Scheduled Services						
Reliability	97.00%	32,177	98.33%	28,857	96.30%	
Start Point Punctuality	90.00%	14,580	91.28%	13,679	85.47%	
Mid-Point Punctuality	70.00%	17,598	86.46%	15,178	77.61%	
Overall Punctuality	80.00%	32,177	88.64%	28,857	81.34%	
Frequent Services						
Regularity	97.00%	12,262	97.98%	11,043	95.33%	

Scheduled Service Performance

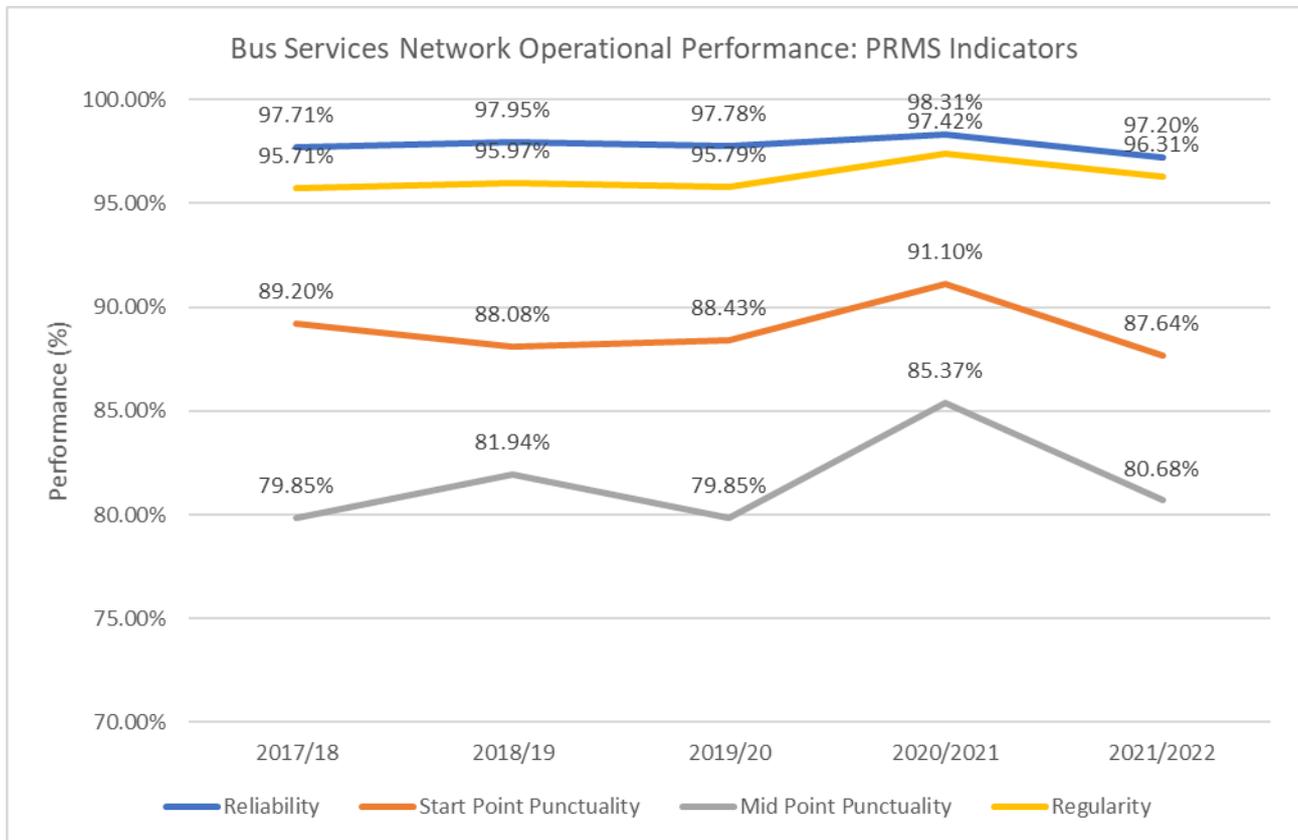
- 2.4 The reliability of scheduled services (Figure 1) at the network level was 96.30% for the 6-monthly period between August 2021 – January 2022, representing a declining position from the level achieved for the 6-monthly period between August 2020 – January 2021 (98.33%). The level of performance has fallen below the Traffic Commissioner’s minimum standard of 97.00%.
- 2.5 Over the last 5 years, the reliability of scheduled services (Figure 2) at the network level has remained above the CoC VPA standard of 97.00%.
- 2.6 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.
- 2.7 The start-point punctuality of scheduled services (Figure 1) at the network level was 85.47% for the 6-monthly period between August 2021 – January 2022, representing a declining position from the level achieved for the 6-monthly period

between August 2020 – January 2021 (91.28%). The level of performance has fallen below the Traffic Commissioner's minimum standard of 90.00%.

- 2.8 Over the last 5 years, start-point punctuality of scheduled services (Figure 2) at the network level has remained at the anticipated minimum standard of 90.00%. Performance fell between 2017/2018 and 2018/2019, improved between 2019/2020 and 2020/2021, before falling during the 10 months of 2021/2022. The fall in performance between 2017/2018 and 2018/2019 reflected the scale and intensity of the infrastructure works in the Regional Centre and on the key radial corridors, and the level of planned and unplanned roadworks and events during that time.
- 2.9 The mid-point punctuality of scheduled services (Figure 1) at the network level was 77.61% for the 6-monthly period between August 2021 – January 2022, representing a declining position from the level achieved for the 6-monthly period between August 2020 – January 2021 (86.46%). The level of performance remains above the Traffic Commissioner's minimum standard of 70.00%.
- 2.10 Over the last 5 years, mid-point punctuality of scheduled services (Figure 2) at the network level has remained above the minimum standard of 70.00%.
- 2.11 Overall punctuality for scheduled services (Figure 1) at the network level was 81.34% for the 6-monthly period between August 2021 – January 2022, representing a declining position from the level achieved for the 6-monthly period between August 2020 – January 2021 (88.64%). The level of performance remains above the Traffic Commissioner's standard of 80.00%.
- 2.12 Performance of the key bus services operational performance indicators have fallen in the 6 month period comparison. There continues to be a general driver shortage impacting the bus industry and the ability to provide services as planned as well as increased congestion and roadworks taking place on the network, affecting performance.
- 2.13 An Operational Performance Reporting system is being introduced which uses both automated vehicle location (AVL) and timetable information to determine punctuality and reliability performance and will supersede the PRMS process. Data is collected for all services and journeys covering the Greater Manchester network, for the commercial and subsidised network, including the school services.

2.14 All of Greater Manchester operators have been integrated into the Operational Performance Reporting system, with full performance reporting expected from the system by October 2022.

Figure 2: Bus Services Network Operational Performance and Trend



2021/2022 Data is for the period April 2021 – January 2022

Frequent Service Performance

2.15 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 internal targets acknowledge there may be a need for highways management interventions to achieve the minimum standards.

2.16 The mid-point regularity of frequent services (Figure 1) at the network level was 95.33% for the 6-monthly period between August 2021 – January 2022, representing a declining position from the level achieved for the 6-monthly period

between August 2020 – January 2021 (97.98%). The level of performance has fallen below the Traffic Commissioner's standard of 97.00%.

2.17 Over the last 5 years, regularity of frequent services (Figure 2) at the network level has been below the minimum standard of 95%, with the exception of the 2020/2021 financial year.

Fleet Profile

2.18 Since 1992, European Union (EU) 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

2.19 The first Euro emission standard (Euro 1) was introduced in 1992 and the latest Euro 6 emission standard in 2015. It is believed that the EU is planning to introduce a new Euro 7 emission standard in the coming years.

2.20 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.

2.21 Figure 3 highlights the observed profile of the network bus fleet, in terms of vehicle age and the engine emissions standard. The vehicle fleet profile is based upon the fleet data collated as part of the Clean Air programme.

Figure 3: Vehicle Fleet Profile

Vehicle Type	31/03/2021	30/09/2021	Direction Change
Euro IV+	94.51%,	97.57%	Improving
Euro VI	36.53%	53.35%	Improving
Hybrid Diesel	13.45%	11.33%	Worsening
Electric Only	1.83%	1.51%	Worsening
Vehicle Age (Average)	9.2 years	9.2 years	Stable

2.22 At end of September 2021, 97.57% of vehicle engines were of an emission standard of 4 and above and 53.35% of these vehicle engines were of an emission standard of 6, an increase compared with the end of March 2021, with the aim of improving air quality. However, the usage of hybrid diesel engines has fallen between the 31/03/2021 and 30/09/2021 from 13.45% to 11.33%.

2.23 GM's Clean Air Zone (CAZ) will be introduced later this year, following the ongoing review of the scheme. In recognition of the need to support operators with upgrading their vehicles to meet the emissions standards and avoid paying CAZ penalties which could threaten the sustainability of the network, TfGM secured funding from central government to enable operators to retrofit or replace their buses to Euro VI standard. The Clean Bus Technology Fund which was available during 2018 and 2019 resulted in 280 vehicles being retrofitted. The Clean Bus Fund which has been live since November 2020 enabled all operators to apply for retrofit funding for eligible vehicles. Of the 1013 vehicles identified as being eligible, there have been 877 vehicles accepted for the scheme from 22 different operators and fitment of the retrofit equipment has been completed or claimed for 366 vehicles. Additionally, 51 vehicles have been approved for Replacement funding, 6 of which have been acquired. The average age of the vehicle fleet has remained stable between March and September 2021 at 9.2 years. The Department of Transport (DfT) most recent annually reported average vehicle fleet age for England was 8.5 years in 2020/2021*. The national average vehicle age (excluding London) for the same period was 9.5 years*, comparable with the TfGM figure for the same period.

**Department for Transport Annual Bus Statistics for England 2019/2020, Bus Indicator 0605*

3 SUBSIDISED BUS NETWORK PERFORMANCE

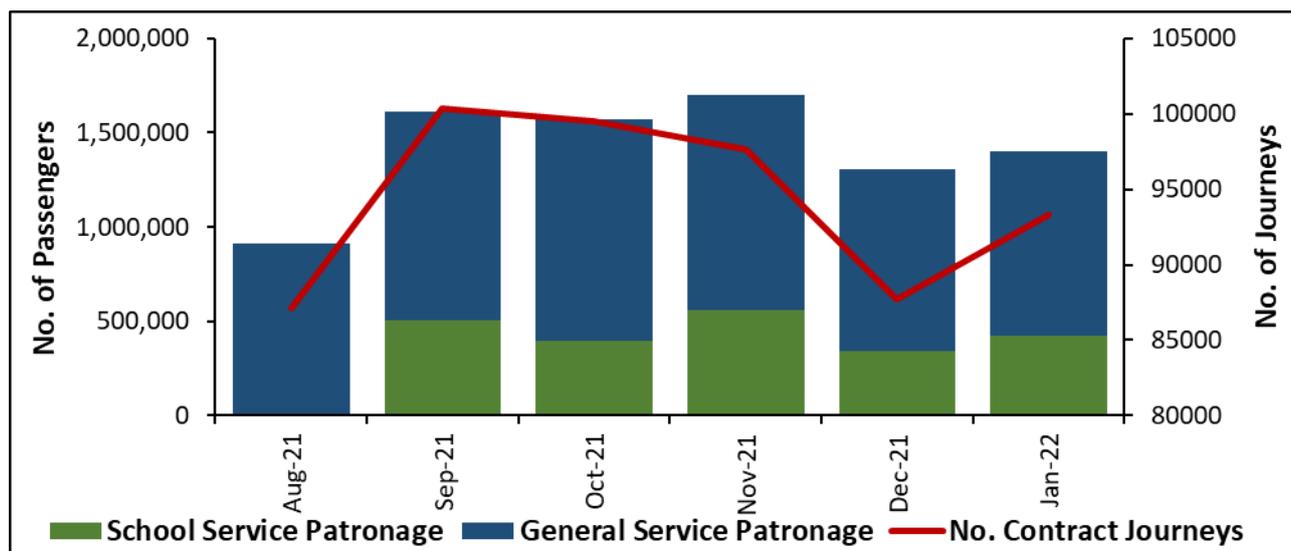
Overview

- 3.1 Over the 6-month period August 2021 – January 2022, the total estimated bus network mileage within Greater Manchester was 26,730,793 miles. Commercial services provided 80.86% (21,615,419 miles) of the total estimated bus network mileage and TfGM subsidised the remaining 19.14% (5,115,374 miles), supporting socially necessary and school bus services.
- 3.2 In January 2022, there were 464 subsidised service contracts in operation, compared with 483 in January 2021. In January 2022, there were 288 school subsidised service contracts and 176 general (normal) subsidised service contracts, provided by a total of 21 operators. The largest 3 operators of subsidised service contracts in January 2022 were Stagecoach Manchester (113 contracts/24.35% market share), Vision Bus Ltd (50 contracts/10.78% market share) and R.S. Tyrer and Sons (47 contracts/10.13% market share).
- 3.3 In January 2022, subsidised bus mileage was estimated to be 856,758 miles, compared with 798,664 miles in January 2021, an increase of 7%. The largest 3 operators of subsidised bus mileage in January 2021 were Stagecoach Manchester (251,382 miles/29.34% mileage share), Diamond Bus (131,855 miles/15.39% mileage share) and Vision Bus Ltd (105,436 miles/12.31% 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 August 2021 – January 2022 period.

Figure 4: Subsidised Bus Service Patronage (August 2021 – January 2022)



3.5 Overall subsidised service patronage, including the school and general services for August 2021 – January 2022 was 8,503,202, on 565,673 journeys, with an average of 15 passengers per journey. The level of patronage has increased by 57% (3,101,703 passengers) compared with the patronage level recorded between August 2020 – January 2021 of 5,401,499 passengers and reflects the change and recovery in bus travel following the COVID-19 pandemic. The number of journeys has fallen by 2% compared with the number of journeys recorded between August 2020 – January 2021 of 579,322 journeys. Average passengers per journey between August 2020 – January 2021 was 9.

3.6 General subsidised service patronage for August 2021 – January 2022 was 6,280,269. The level of patronage has increased by 61% (2,368,418 passengers) compared with the patronage level recorded between August 2020 – January 2021 of 3,911,851 passengers as pandemic-related restrictions were lifted.

3.7 Between August 2021 – January 2022, the main 3 operators carrying general services subsidised patronage were Stagecoach Manchester (52.70% and 3,309,444 passengers), Diamond Bus (11.92% and 748,551 passengers) and Go North West (8.47% and 531,761 passengers).

3.8 Schools subsidised service patronage for August 2021 – January 2022 was 2,222,933. This represents an increase of 49% (733,285 passengers) compared with 1,489,648 passengers between August 2020 – January 2021. This reflects the impact of the school closures and suspended services between January – February 2021.

- 3.9 Between August 2021 – January 2022, the main 3 operators carrying schools subsidised patronage were: Stagecoach Manchester (18.93% and 420,766 passengers), R.S. Tyrer and Sons (18.25% and 405,696 passengers) and Belle Vue Coaches (13.52% and 300,527 passengers)
- 3.10 Subsidised service patronage is slowly recovering. Patronage for the rolling 12-month period of February 2021 – January 2022 was 14,620,663 passengers and remains 26% lower compared with the 2019/2020 financial year (19,675,699 passengers).

Contract Cost

- 3.11 Contract payments for the subsidised services totalled £13,936,755 for the period of August 2021 – January 2022. This is a 2.07% (£294,685) reduction in the expenditure for contract payments in the 6-month period between August 2020 – January 2021 (£14,231,441)
- 3.12 The cost per passenger for the period of August 2021 – January 2022 was £1.64, a decrease of 37.79% compared with the cost per passenger for the 6-month period between August 2020 – January 2021 of £2.63.

Declared Lost Mileage

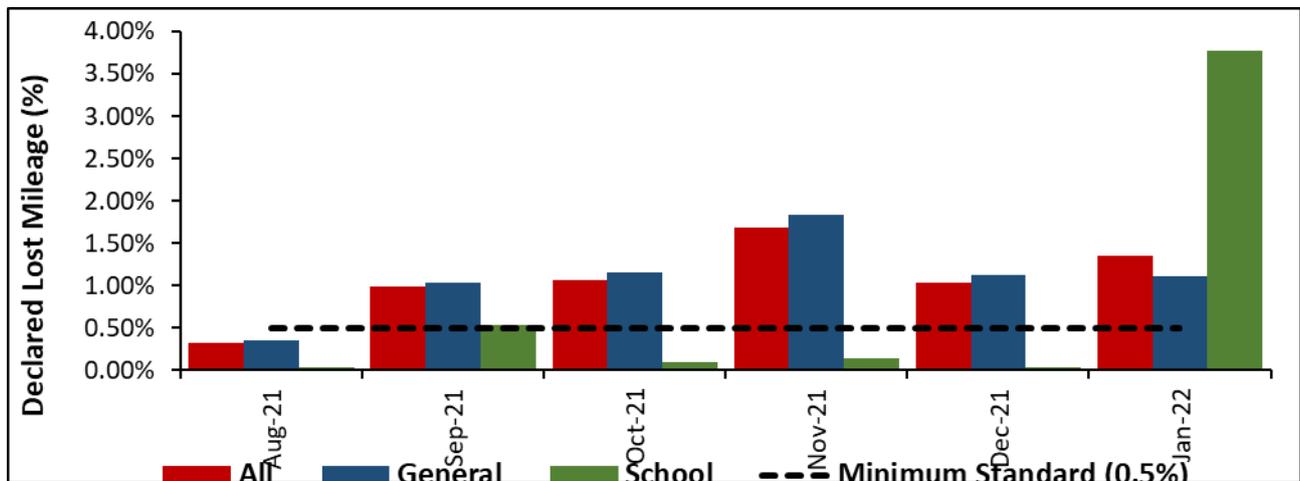
- 3.13 Operators are contractually obliged to declare any lost mileage that occurs on TfGM contracts each month and these declarations are subsequently verified through analysis of their electronic ticket machine data. The proportion of declared lost mileage incurred on the subsidised service network between August 2021 and January 2022, broken down by contract type is presented in Figure 5.
- 3.14 Between August 2021 and January 2022, the declared lost mileage for all subsidised services was 50,306 miles, which represented 1.08% of the subsidised scheduled mileage. The significant service delivery issues relating to the national driver shortage must be acknowledged as a significant impact in the period under review. This is a significant increase compared with the period between August 2020 and January 2021 declared lost mileage for all subsidised services of 5,472

miles, representing 0.12% of the subsidised scheduled mileage. Declared lost mileage is above the industry standard of 0.5%.

3.15 General subsidised declared lost mileage for the period between August 2021 and January 2022 was 46,947 miles, representing 1.10% of the general subsidised scheduled mileage. This is a significant increase compared with the period between August 2020 and January 2021 declared lost mileage for all subsidised services of 5,083 miles, representing 0.12% of the subsidised scheduled mileage. Declared lost mileage is above the industry standard of 0.5%.

3.16 Schools subsidised declared lost mileage for the period between August 2021 and January 2022 was 3,358 miles, representing 0.79% of the school subsidised scheduled mileage. This is a significant increase compared with the period between August 2020 and January 2021 declared lost mileage for all subsidised services of 390 miles, representing 0.09% of the subsidised scheduled mileage. Declared lost mileage is above the industry standard of 0.5%.

Figure 5: Declared Lost Mileage (August 2021 – January 2022)



3.17 The main 3 reasons for declared lost mileage for all subsidised services as identified by operators during the period between August 2021 and January 2022 were: staff shortage (63.26% affecting 31,822 miles), bus breakdowns (13.57% affecting 6,826 miles) and industrial actions (5.94% affecting 5,952 miles).

Operational Performance

Figure 6: Subsidised Bus Network Operational Performance

		August 2020 – January 2021		August 2021 – January 2022		
Indicator	Standard	Number of Observations	%	Number of Observations	%	Direction Change
Scheduled Services						
Reliability	97.00%	5,555	98.80%	4,851	98.20%	
Start Point Punctuality	90.00%	4,279	91.33%	3,705	87.34%	
Mid-Point Punctuality	70.00%	1,276	89.20%	1,146	82.90%	
Overall Punctuality	80.00%	5,555	90.80%	4,851	86.29%	

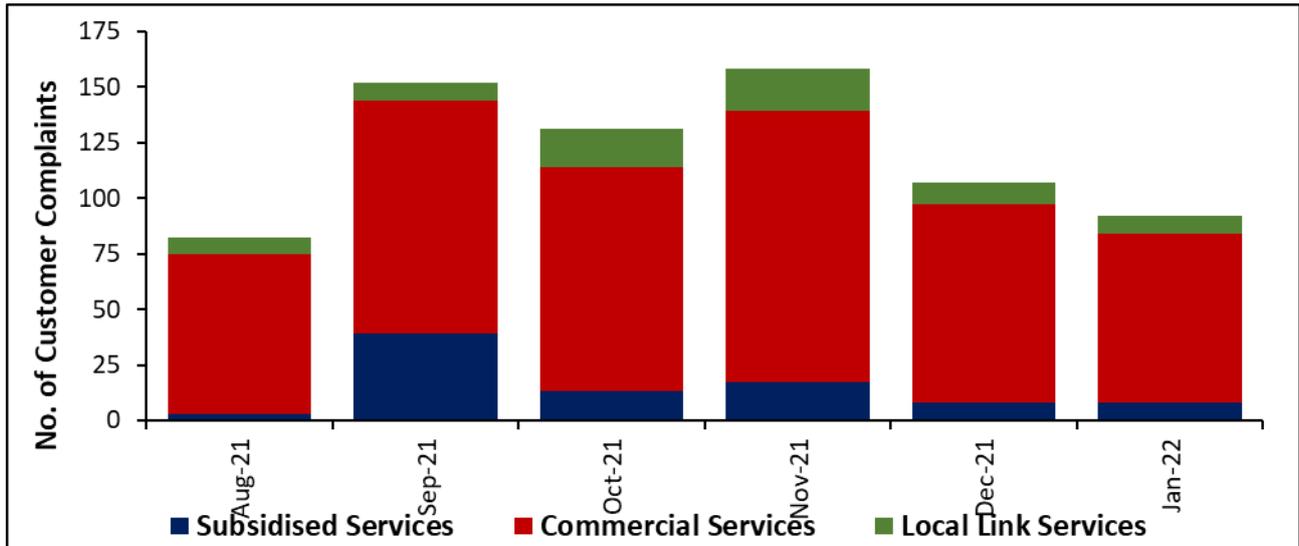
- 3.18 PRMS manual observations were suspended between April 2020 and September 2020 due to the coronavirus pandemic. Estimates for these months have been generated using the previous 3 years of data (17/18, 18/18 and 19/20) for reliability and punctuality. The 2020/2021 figures include some of these estimates along with actual survey observations for the period of October 2020 – March 2021.
- 3.19 The reliability of subsidised scheduled services (Figure 6) was 98.20% for the 6-month period between August 2021 – January 2022, representing a comparable and stable position compared with the 6-month period between August 2020 – January 2021 (98.80%). The level of performance remains above the Traffic Commissioner's standard of 97.00%.
- 3.20 The start-point punctuality of subsidised scheduled services (Figure 6) was 87.34% for the 6-month period between August 2021 – January 2022, representing a decline in performance from the level achieved within the 6-month period between August 2020 – January 2021 (91.33%). The level of performance is below the Traffic Commissioner's standard of 90.00%.
- 3.21 The mid-point punctuality of subsidised scheduled services (Figure 6) was 82.90% for the 6-month period between August 2021 – January 2022, representing a decline in performance from the level achieved within the 6-month period between August 2020 – January 2021 (89.20%). The level of performance remains above the Traffic Commissioner's standard of 70.00%.

- 3.22 Overall punctuality for subsidised scheduled services (Figure 6) was 86.29% for the 6-month period between August 2021 – January 2022, representing a decline in performance from the level achieved within the 6-month period between August 2020 – January 2021 (90.80%). The level of performance remains above the Traffic Commissioner’s standard of 80.00%.
- 3.23 Performance of the key bus services operational performance indicators have fallen in the 6 month period comparison. There continues to be a general driver shortage impacting the bus industry and the ability to provide services as planned as well as increased congestion and roadworks taking place on the network, affecting performance.

Customer Comments

- 3.24 There were 88 subsidised bus service comments/complaints received by TfGM during the period of August 2021 to January 2022, which were within the operators control and their responsibility. This is an increase of 144% in the number of comments/complaints received, compared with the 6-month period between August 2020 – January 2021 of 36, which were also deemed within the operators control and their responsibility.
- 3.25 There were 69 local link comments/complaints received by TfGM during the period of August 2021 to January 2022. This is an increase of 35% in the number of comments/complaints received, compared with the 6-month period between August 2020 – January 2021 of 51.

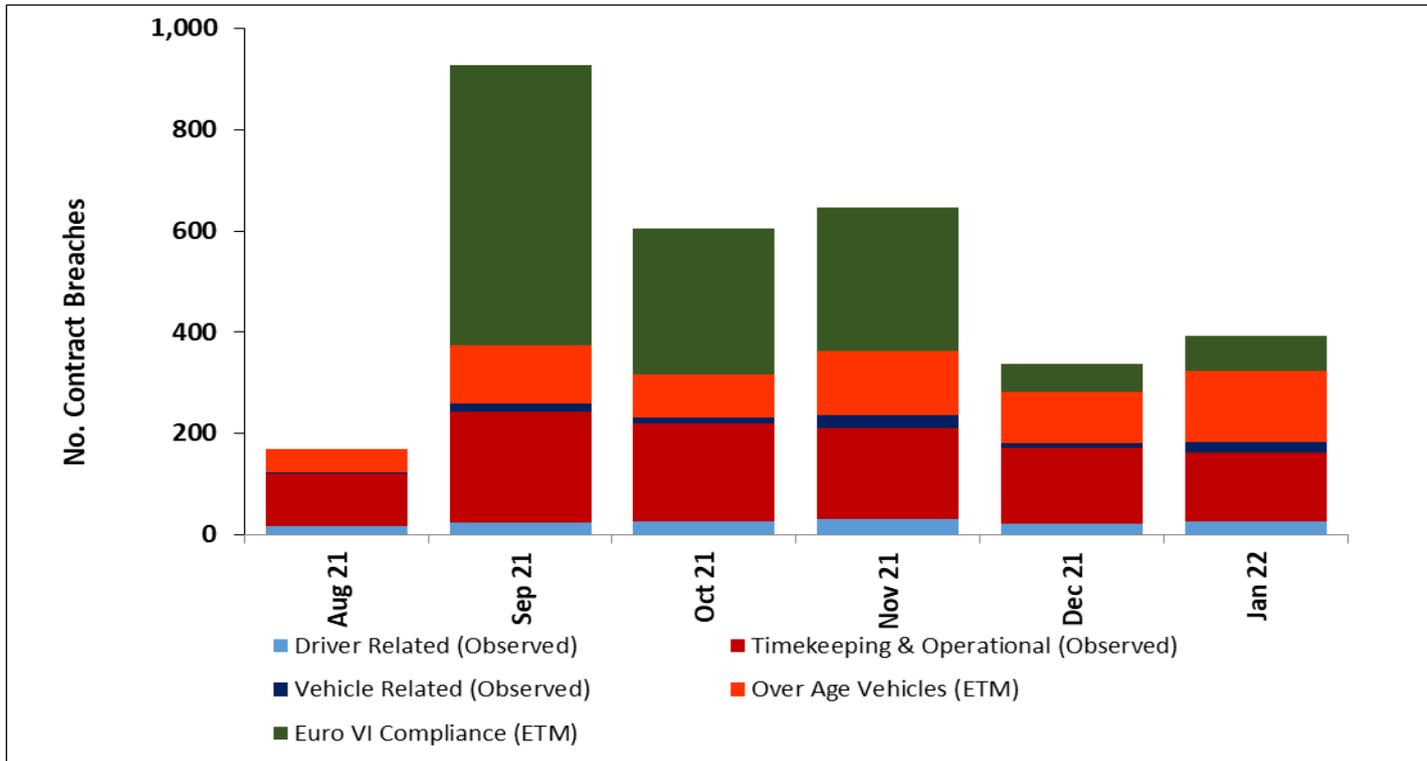
Figure 7: Customer complaints/comments (August 2021 – January 2022)



Contract Breaches

- 3.26 Contract breaches are reported failures to deliver a subsidised service in accordance with the contract specification and result 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 August 2021 – January 2022.
- 3.27 40.60% of contract breaches between August 2021 and January 2022 were attributed to Euro VI non-compliance vehicles (1,249), 32.02% were due to timekeeping and operational breaches (985), 19.99% were attributed to over age vehicles (615), 4.62% were driver related (142) and 2.76% were vehicle related (85).
- 3.28 Euro VI compliance monitoring was introduced in September 2021 for new tendered contracts, as part of the Clean Air programme. There were 85 newly tendered school contracts awarded from the end of August 2021 and beginning of September 2021, equating to 120 school services which were required to be Euro VI compliant from September 2021.

Figure 8: Contract Breaches (August 2021 – January 2022)



Vehicle Profile

- 3.29 An average of 1,742 vehicles were deployed each month on the Greater Manchester subsidised bus network during the period of August 2021 – January 2022.
- 3.30 In January 2022, the average age of the vehicle fleet used on the subsidised network was 9.45 years. When compared by contract type, the average age of the vehicle fleet used on general services was 9.33 years and on the school network was 10.41 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

- 3.31 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.
- 3.32 Contract deductions for the subsidised services totalled £195,515 for the period of August 2021 – January 2022. This is a 213% (£133,021) increase in the contract

deductions made in the 6-month period between August 2020 – January 2021 (£62,494)

- 3.33 Contract deductions represented 1.40% of the total contract payments paid (£13,936,755) in the period of August 2021 – January 2022, compared with 0.44% of the total contract payments paid (£14,231,441) during the 6-month period between August 2020 – January 2021.

4 COVID BUS SERVICE SUPPORT GRANT (CBSSG) AND BUS RECOVERY GRANT (BRG)

- 4.1 The Bus Recovery Grant (BRG), a £226.5m fund which replaced CBSSG began on 1 September 2021 and will run to 5 April 2022. DfT agreed to pay operators (c£204m) in respect of eligible commercial services based on farebox revenue loss and mileage. A portion of this fund (c£25m) was reserved for LTAs to support tendered services affected by COVID and for enhanced cleaning at bus stations, interchanges, and bus stops. To be eligible for BRG, operators must not run less than 90% of overall scheduled commercial mileage although where there has been scope for justification to operate below this (such as the significant driver shortage issues) payments have continued.
- 4.2 As with CBSSG, operators have worked closely with TfGM on BRG to consult and agree on aggregate service levels. Unlike CBSSG, the BRG scheme has allowed operators to return profits. If an operator is making a pre-tax profit “at a level that DfT believes is excessive,” then all bodies concerned will ensure that the excess is “reinvested into the ambitions of the National Bus Strategy.
- 4.3 The scheme was designed to be a reducing grant to operators as passenger numbers recovered, however projected recovery levels have not been achieved. The sector had been adversely impacted by the increased COVID restrictions connected with Omicron which had not been anticipated by the DfT. As such, on 31 January, the DfT announced increased funding support for operators of c£26m nationally towards the original scheme ending 5th April. A further and final funding package has now been announced by the DfT to run for a further 6 months and totalling c£150m nationally. Details as to how this will be dispersed to operators and LTAs are anticipated in the very near future.

- 4.4 In Greater Manchester, the current BRG scheme is expected to pay commercial operators c£17m and from the LTA portion c£0.4m to be allocated to between tendered operators and TfGM's enhanced own cleaning regime.

5 RECOMMENDATIONS

- 5.1 Recommendations are set out at the front of this report

Stephen Rhodes

Customer Director & Interim Head of Bus Services, TfGM