

GREATER MANCHESTER TRANSPORT COMMITTEE

BUS SERVICES SUB COMMITTEE

Date: Friday 10th March 2023
Subject: Bus Performance Report
Report of: Stephen, Rhodes, Director of Bus, TfGM

PURPOSE OF REPORT:

To inform members of the performance of the Greater Manchester bus network during the July 2022 to December 2022 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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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 | Overview & Scrutiny Committee | |
| N/A | N/A | |

1 INTRODUCTION

- 1.1 Greater Manchester has an extensive bus network covering approximately 49.0 million miles between January 2022 and December 2022 (a decrease of 8% compared with the financial year of 2021/2022) and supporting an annual ridership of 145.8 million passengers (an increase of 8.9 million passengers compared with the financial year of 2021/22). The network (551 services) is provided on both a commercial and subsidised basis by 39 operators (as of December 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 funding level for the subsidised network (22.6% of the overall network mileage), 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 Annual ridership on the subsidised bus network between January 2022 and December 2022 was 22.2 million, an increase of 6.0 million compared with the financial year of 2021/2022. This includes ridership on additional supported subsidised services to support the stabilisation of the network from October 2022 onwards.
- 1.4 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.
- 1.5 Transport Focus surveys have consistently indicated that key customer priorities are value for money, driver behaviour, punctuality/reliability, and journey time.

- 1.6 Patronage on the bus network overall is currently an estimated 86% of pre-Covid levels and is around 15% up on the equivalent period last year. An evaluation¹ of the first three months of Greater Manchester's £2 / £5 Bus Fare Offer (September – December 2022) shows that this initiative contributed to an increase of bus patronage of 10% over this period. Whilst it is difficult to directly attribute the proportion of this increase which results from the fares offer and what is attributable to the ongoing recovery of travel markets post pandemic, initial estimates are that approximately 5% is due to the fares offer, equating to approximately 1.5 million additional journeys in just three months. This is particularly encouraging in respect of promoting changes in travel behaviour and encouraging mode shift from car.
- 1.7 This report covers the period of July 2022 – December 2022 which includes the ongoing recovery following the impact of the pandemic, bus and rail industrial strike actions, and a national driver shortage affecting the industry. In addition, TfGM introduced the standard fare initiative from September 2022 and received the commercial portion of the Bus Revenue Grant (BRG) from government to support network stabilisation and respond to proposed reductions from commercial operators.

2 OPERATIONAL PERFORMANCE

- 2.1 This section of the report presents network wide bus operational performance statistics for the Greater Manchester region, extracted from the ITO World Transit Hub (Discover) to formally report punctuality, reliability and regularity measures from October 2022. This section of the report will cover the period of October 2022 – December 2022.
- 2.2 The ITO World Transit Hub uses automated vehicle location (AVL) and timetable (TransXChange) information, with a matching process taking place between these 2 sets of data. ITO World Transit Hub covers the entire network and services, including school services, 24hrs a day, 7 days a week.

¹ <https://tfgm.com/data-analytics-and-insight/surveys-and-research/low-bus-fares>

- 2.3 TfGM's in-house Punctuality Reliability Monitoring System (PRMS) ended on the 30th September 2022. PRMS was based on manual observations on a small sample of the network and services during observational periods.
- 2.4 Figure 1 provides a comparison of the months October 2022 – December 2022 using the ITO World Transit Hub system 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).
- 2.5 Using the same core data set, a different methodology was used to calculate reliability and overall punctuality, compared with start and intermediate (mid-point) punctuality. Reliability and overall punctuality include frequent service intervals provided by ITO World Transit Hub (Discover). Start and intermediate (mid-point) punctuality excludes frequent service intervals and is generated 'in house' within TfGM, as these measures are currently not available via ITO World Transit Hub. Start and intermediate (mid-point) punctuality will be provided by ITO World Transit Hub in the forthcoming months.

Figure 1: Bus Service Operational Performance

| Indicator | Standard | October 2022 | | November 2022 | | December 2022 | |
|----------------------------------------|----------|--------------------------------------|--------|--------------------------------------|--------|--------------------------------------|--------|
| | | Recorded Departures/ Observations | % | Recorded Departures/ Observations | % | Recorded Departures/ Observations | % |
| Scheduled Services | | | | | | | |
| Reliability* | 97.00% | 1,975,099 | 80.68% | 1,505,612 | 80.55% | 1,846,248 | 80.86% |
| Overall Punctuality* | 80.00% | 1,975,099 | 67.48% | 1,505,612 | 64.46% | 1,846,248 | 66.65% |
| Start Point Punctuality** | 90.00% | 421,975 | 75.94% | 330,612 | 73.25% | 389,845 | 74.73% |
| Intermediate (Mid-Point) Punctuality** | 70.00% | 1,290,601 | 59.73% | 1,021,009 | 57.41% | 1,219,375 | 58.22% |
| Frequent Services | | | | | | | |
| Regularity | 97.00% | 266,414 | 94.25% | 225,162 | 92.85% | 245,381 | 94.44% |

Note: The ITO World Transit Hub was unavailable for 7 days between the 16th – 22nd November 2022, due to a technical issue.

*** Includes frequent service intervals**

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Scheduled Service Performance

- 2.6 The reliability of scheduled services (Figure 1) at the network level was below the Traffic Commissioner’s minimum standard of 97.00% throughout the period of October 2022 – December 2022, with performance just above 80.00%.
- 2.6.1 Reliability reporting is based on scheduled/timetabled departures versus recorded/actual departures, using GPS/AVL information which can be limited by ticket machine hardware and network reception/coverage.
- 2.7 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.

- 2.8 The start-point punctuality of scheduled services (Figure 1) at the network level was below the Traffic Commissioner's minimum standard of 90.00% throughout the period of October 2022 – December 2022, with average performance of below 75.00% over the 3 months.
- 2.9 The mid-point punctuality of scheduled services (Figure 1) at the network level was below the Traffic Commissioner's minimum standard of 70.00% throughout the period of October 2022 – December 2022, with performance below 60.00%
- 2.10 Overall punctuality for scheduled services (Figure 1) at the network level was below the Traffic Commissioner's minimum standard of 80.00% throughout the period of October 2022 – December 2022, with performance below 70.00%.
- 2.11 Performance measures, as shown by the key bus services operational performance indicators, are lower compared with the data previously reported by the PRMS system, as the ITO World Transit Hub is providing a more accurate and fuller comprehensive coverage of the network. In addition, there continues to be a general driver shortage impacting the bus industry and the ability for operators to provide services as planned, as well as increased congestion and roadworks taking place on the network, affecting performance.
- 2.12 For Bus Franchising, an AVL system is being procured to provide the operational performance indicators.

Frequent Service Performance

- 2.13 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.

2.14 The mid-point regularity of frequent services (Figure 1) at the network level was below the Traffic Commissioner's minimum standard of 97.00% throughout the period of October 2022 – December 2022, with performance below 95.00%.

Fleet Profile

2.15 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

2.16 The first Euro emission standard (Euro 1) was introduced in 1992 and the latest Euro 6 emission standard in 2015. In November 2022, the EU published their proposal detailing the new Euro 7 emission standards with the aim to ensure cars, vans, lorries and buses are much cleaner, in real driving conditions that better reflect the situation in cities where air pollution problems are largest, and for a much longer period than under current rules.

2.17 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.

2.18 Figure 2 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 2: Vehicle Fleet Profile

| Vehicle Type | 31/03/2021 | 31/03/2022 | 30/09/2022 | Direction Change 2022 |
|----------------------------------------------|------------|------------|------------|-----------------------|
| Euro VI (Incl Electric vehicles) | 36.53% | 71.71% | 88.84% | Improving |
| Euro IV+ (E4, E5, E6 & Electric vehicles) | 94.51% | 98.99% | 99.63% | Improving |
| Hybrid Diesel | 13.45% | 11.85% | 12.19% | Improving |
| Electric Only | 1.83% | 1.53% | 1.63% | Improving |
| | | | | |
| Vehicle Age (Average) | 9.2 years | 9.4 years | 10.1 years | Worsening |
| | | | | |

2.19 At the end of September 2022, 99.63% of vehicle engines were of an emission standard of 4 and above and 88.84% of these vehicle engines were of an emission standard of 6 and/or an electric vehicle, an increase compared with the end of March 2022, and a significant increase since March 2021, with the aim of improving air quality. The usage of hybrid diesel engines has improved slightly between the 31/03/2022 and 30/09/2022 from 11.85% to 12.19%.

2.20 The average age of the vehicle fleet has increased between March 2022 and September 2022, with the average fleet age at 10.1 years.

2.21 Greater Manchester's Clean Air Plan is under review with Government. However, as the emissions reduction for a bus changing from a non-compliant vehicle to a Euro VI model is substantial the Clean Air Funding for bus replacement and retrofit

for GM registered bus services remains open to operators. To end January 2023, 877 buses have been retrofitted and 69 vehicles have been replaced, these upgrades mean that 89% of the bus fleet serving Greater Manchester is now compliant with clean air standards. The fleet profile will continue to improve as Bus Franchising is implemented, including the procurement of 100 new zero emission electric buses for Bus Franchising Tranches 1 and 2.

SUBSIDISED BUS NETWORK PERFORMANCE

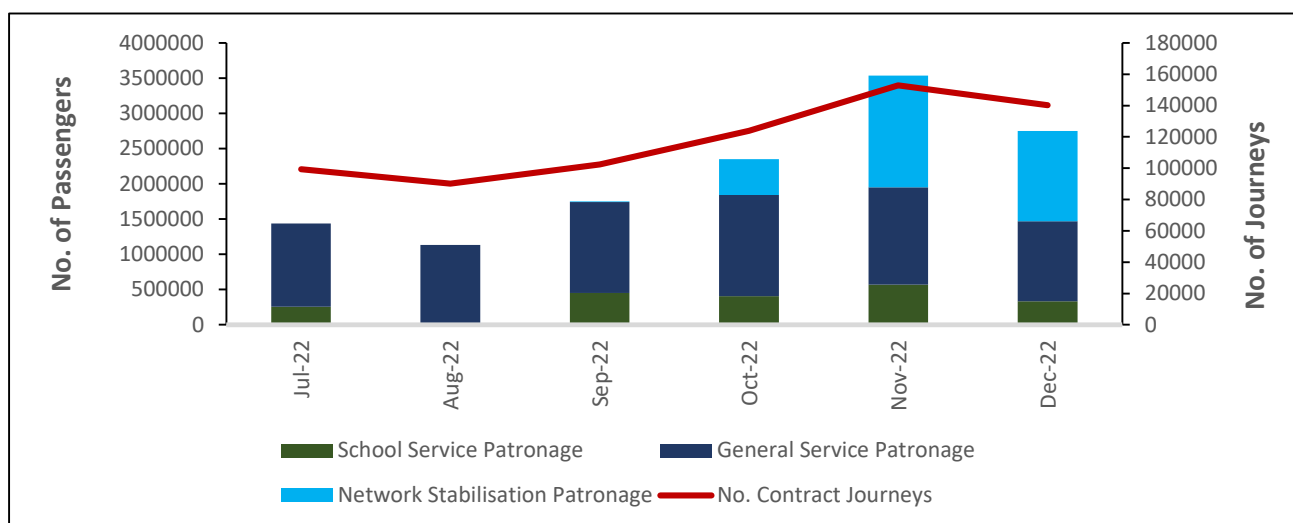
Overview

- 2.22 Over the 6-month period July 2022 – December 2022, the total estimated bus network mileage within Greater Manchester was 23,875,742 miles. Commercial services provided 77% (18,404,370 miles) of the total estimated bus network mileage and TfGM subsidised services the remaining 23% (5,471,372 miles), supporting socially necessary and school bus services.
- 2.23 In December 2022, there were 496 subsidised service contracts in operation, compared with 460 in December 2021. In December 2022, there were 265 school subsidised service contracts and 231 general (normal) subsidised service contracts, of which 63 were network stabilisation contracts, provided by a total of 21 operators. The largest 3 operators of subsidised service contracts in December 2022 were Stagecoach Manchester (137 contracts/28% market share), Vision Bus Ltd (63 contracts/13% market share) and First Manchester (41 contracts/8% market share).
- 2.24 In December 2022, subsidised bus mileage was estimated to be 980,769 miles, compared with 809,230 miles in December 2021, an increase of 21% due to the increase of subsidised supported contracts, to support network stabilisation and respond to proposed reductions from commercial operators. The largest 3 operators of subsidised bus mileage in December 2022 were Stagecoach Manchester (339,329 miles/35% mileage share), Diamond Bus (150,797 miles/15% mileage share) and Vision Bus Ltd (109,870 miles/11% mileage share).

Patronage

2.25 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 3 presents the monthly patronage profile on subsidised bus services, along with the number of contracted journeys for the July 2022 – December 2022 period.

Figure 3: Subsidised Bus Service Patronage (July 2022 – December 2022)



2.26 Overall subsidised service patronage, including the school, general and network stabilisation supported services for the period of July 2022 – December 2022 was 12,962,584 passengers, on 708,766 journeys, with an average of 18 passengers per journey.

2.27 Excluding the network stabilisation patronage, subsidised service patronage including the school and general network for the period of July 2022 – December 2022 was 9,572,070 passengers on 586,183 journeys, with an average of 16 passengers per journey. The level of patronage has increased by 17% (1,366,316 passengers) compared with the patronage level recorded between July 2021 – December 2021 of 8,205,754 passengers and reflects the continued recovery in bus travel following the COVID-19 pandemic. The number of journeys has increased by

3% compared with the number of journeys recorded between July 2021 – December 2021 of 570,834 journeys. Average passengers per journey between July 2021 – December 2021 was 14.

- 2.28 General subsidised service patronage for July 2022 – December 2022 was 7,554,375. The level of patronage has increased by 18% (1,350,160 passengers) compared with the patronage level recorded between July 2021 – December 2021 of 6,204,215 passengers.
- 2.29 Between July 2022 – December 2022, the main 3 operators carrying general services subsidised patronage were Stagecoach Manchester (50.04% and 3,779,925 passengers), Go North West (9.06% and 684,725 passengers) and Rosso (8.51% and 642,985 passengers).
- 2.30 Schools subsidised service patronage for July 2022 – December 2022 was 2,017,695. This represents an increase of 1% (16,156 passengers) compared with 2,001,539 passengers between July 2021 – December 2021.
- 2.31 Between July 2022 – December 2022, the main 3 operators carrying schools subsidised patronage were: Stagecoach Manchester (25.65% and 517,591 passengers), Vision Bus (13.56% and 273,524 passengers) and First Manchester (12.11% and 244,394 passengers).
- 2.32 TfGM was provided the commercial portion of the Bus Revenue Grant (BRG) from the Department for Transport (DfT), from October 2022 onwards, to support network stabilisation and respond to proposed reductions from commercial operators. Patronage on services supported via network stabilisation between October 2022 – December 2022 was 3,390,514.
- 2.33 Between October 2022 – December 2022, the main 3 operators carrying network stabilisation service patronage were Stagecoach Manchester (47.87% and 1,623,101 passengers), Diamond Bus (21.30% and 722,229 passengers) and First Manchester (19.70% and 667,971 passengers).

- 2.34 Subsidised service patronage is recovering. Patronage, excluding network stabilisation patronage for the rolling 12-month period of January 2022 – December 2022 was 18,844,346 passengers and remains 4% lower compared with the 2019/2020 financial year (19,675,699 passengers).

Contract Cost

- 2.35 Contract payments for the subsidised services totalled £18,237,542 for the period of July 2022 – December 2022. This is a 30% (£4,219,123) increase in the expenditure for contract payments compared with the period between July 2021 – December 2021 (£14,018,419). This is reflective of the increase in subsidised supported contracts, to support network stabilisation and respond to proposed reductions from commercial operators.
- 2.36 The cost per passenger for the period of July 2022 – December 2022 was £1.41, a decrease of 18% compared with the cost per passenger for the 6-month period between July 2021 – December 2021 of £1.71.

Declared Lost Mileage

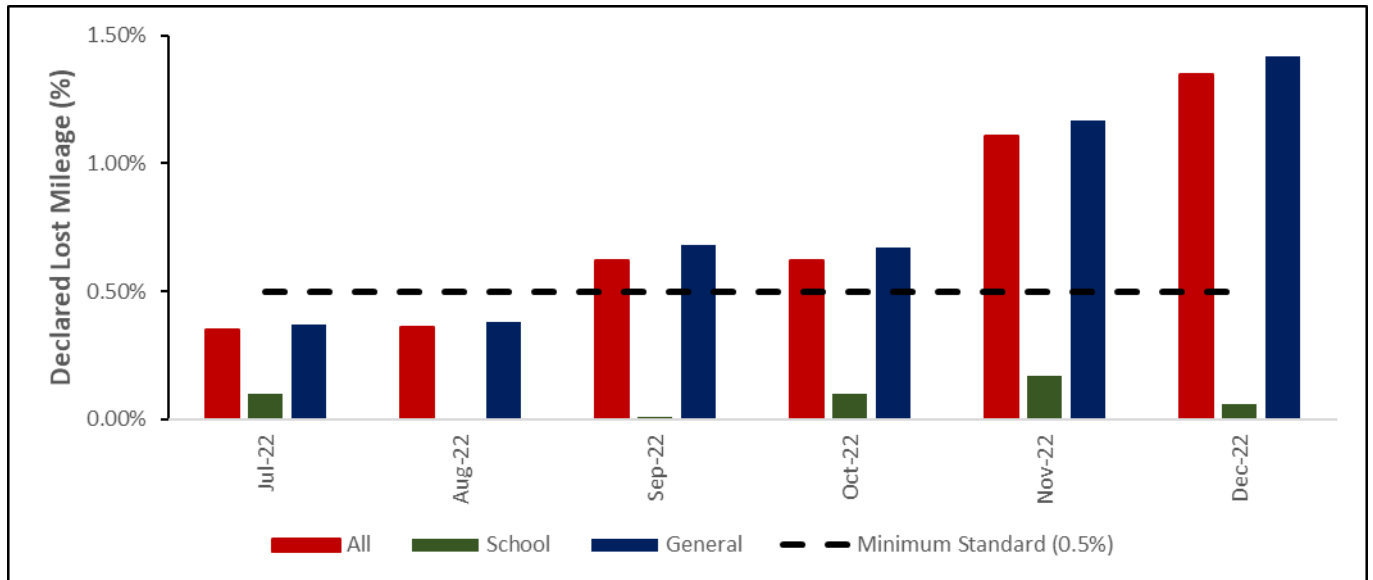
- 2.37 Operators are contractually obliged to declare any lost mileage that occurs on TfGM contracts each month and these declarations are subsequently verified through analysis of their electronic ticket machine data. The proportion of declared lost mileage incurred on the subsidised service network between July 2022 and December 2022, broken down by contract type is presented in Figure 4.
- 2.38 Between July 2022 and December 2022, the declared lost mileage for all subsidised services was 47,987 miles, which represented 0.81% 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 an increase compared with the period between July 2021 and December 2021 declared lost mileage for all subsidised services of 41,216 miles, representing

0.88% of the subsidised scheduled mileage. Declared lost mileage is above the industry standard of 0.5%.

2.39 General subsidised declared lost mileage for the period between July 2022 and December 2022 was 47,671 miles, representing 0.86% of the general subsidised scheduled mileage. This is an increase compared with the period between July 2021 and December 2021 declared lost mileage for all subsidised services of 40,578 miles, representing 0.95% of the subsidised scheduled mileage. Declared lost mileage is above the industry standard of 0.5%.

2.40 Schools subsidised declared lost mileage for the period between July 2022 and December 2022 was 297 miles, representing 0.08% of the school subsidised scheduled mileage. This is a reduction compared with the period between July 2021 and December 2021 declared lost mileage for all subsidised services of 637 miles, representing 0.15% of the subsidised scheduled mileage. Declared lost mileage is below the industry standard of 0.5%.

Figure 4: Declared Lost Mileage (July 2022 – December 2022)



2.41 The main 3 reasons for declared lost mileage for all subsidised services as identified by operators during the period between July 2022 and December 2022 were: staff

shortage (44% affecting 21,287 miles), bus breakdowns (24% affecting 11,495 miles) and traffic congestion and enforcement (22% affecting 10,497 miles).

Operational Performance

Figure 5: Subsidised Bus Network Operational Performance

| Indicator | Standard | October 2022 | | November 2022 | | December 2022 | |
|----------------------------------------|----------|--------------------------------------|--------|--------------------------------------|--------|--------------------------------------|--------|
| | | Recorded Departures/ Observations | % | Recorded Departures/ Observations | % | Recorded Departures/ Observations | % |
| <i>Scheduled Services</i> | | | | | | | |
| Reliability* | 97.00% | 485,995 | 81.61% | 519,241 | 81.60% | 966,760 | 81.90% |
| Overall Punctuality* | 80.00% | 485,995 | 67.38% | 519,241 | 64.63% | 966,760 | 67.31% |
| Start Point Punctuality** | 90.00% | 275, 988 | 74.57% | 191, 761 | 74.48% | 301,612 | 74.37% |
| Intermediate (Mid-Point) Punctuality** | 70.00% | 1,218,612 | 59.06% | 666, 112 | 58.36% | 1,362,307 | 58.12% |
| | | | | | | | |

Note: The ITO World Transit Hub was unavailable for 7 days between the 16th – 22nd November 2022, due to a technical issue.

*** Based on subsidised individual trips/journeys**

****Based on subsidised services (full and partial services)**

2.42 This section of the report presents subsidised bus network operational performance statistics for the Greater Manchester region, extracted from the ITO World Transit Hub (Discover) to formally report punctuality and reliability measures from October 2022. This section of the report will cover the period of October 2022 – December 2022.

2.43 ITO World Transit Hub covers the subsidised network and services, including school services, 24hrs a day, 7 days a week.

2.44 Using the same core data set, a different methodology was used to calculate reliability and overall punctuality, compared with start and intermediate (mid-point) punctuality. Reliability and overall punctuality are based on subsidised trips/journeys

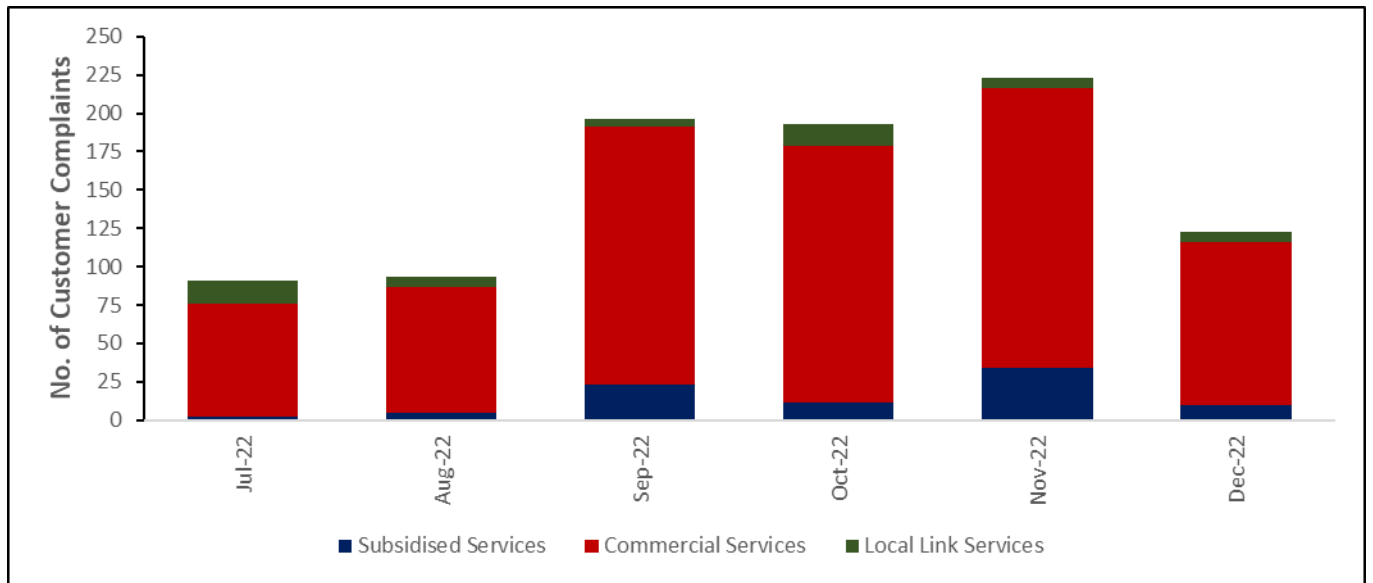
as defined by the ITO World Transit Hub (Discover). Start and intermediate (mid-point) punctuality are based on subsidised services (full and partially subsidised) and are generated 'in house' within TfGM. Start and intermediate (mid-point) punctuality will be provided by ITO World Transit Hub in the forthcoming months.

- 2.45 The reliability of subsidised scheduled services (Figure 5) was below the Traffic Commissioner's minimum standard of 97.00% throughout the period of October 2022 – December 2022, with performance just above 80.00%.
- 2.45.1 Reliability reporting is based on scheduled/timetabled departures versus recorded/actual departures, using GPS/AVL information which can be limited by ticket machine hardware and network reception/coverage.
- 2.46 The start-point punctuality of subsidised scheduled services (Figure 5) was below the Traffic Commissioner's minimum standard of 90.00% throughout the period of October 2022 – December 2022, with performance just below 75.00%
- 2.47 The mid-point punctuality of subsidised scheduled services (Figure 5) was below the Traffic Commissioner's minimum standard of 70.00% throughout the period of October 2022 – December 2022, with performance just below 60.00%
- 2.48 Overall punctuality for subsidised scheduled services (Figure 5) was below the Traffic Commissioner's minimum standard of 80.00% throughout the period of October 2022 – December 2022, with performance below 70.00%.
- 2.49 As with the overall network, operational performance indicators are lower compared with the data previously reported by the PRMS system, as the ITO World Transit Hub is providing a more accurate and fuller comprehensive coverage of the network. In addition, there continues to be a general driver shortage impacting the bus industry and the ability for operators to provide services as planned, as well as increased congestion and roadworks taking place on the network, affecting performance.

Customer Comments

- 2.50 Customer comments/complaints are received via the Customer Experience Platform (CPX) at TfGM, for commercial, subsidised and Local Link services. The level of customer comments/complaints received during the period of July 2022 – December 2022 for commercial, subsidised and Local Link services is presented in Figure 6.
- 2.51 There were 85 subsidised bus service comments/complaints received by TfGM during the period of July 2022 to December 2022, which were within the operators control and their responsibility. This is the same of level of comments/complaints received compared with the 6-month period between July 2021 – December 2021 of 85, which were also deemed within the operators control and their responsibility.
- 2.52 The main 3 reasons of customer comments/complaints received during the period of July 2022 – December 2022 were service failure (25% / 21 comments/complaints), punctuality/reliability (24% / 20 comments/complaints) and driver behaviour (13% / 11 comments/complaints).
- 2.53 There were 54 Local Link comments/complaints received by TfGM during the period of July 2022 to December 2022. This is a reduction of 26% in the number of comments/complaints received, compared with the 6-month period between July 2021 – December 2021 of 73.
- 2.54 The main 3 reasons of customer comments/complaints received during the period of July 2022 – December 2022 were service failure (50% / 27 comments/complaints), booking error (19% / 10 comments/complaints) and other problem (15% / 8 comments/complaints). Examples of other problem classification areas include lack of wheelchair access, lack of service coverage in specific areas and unhappy with vehicle size.

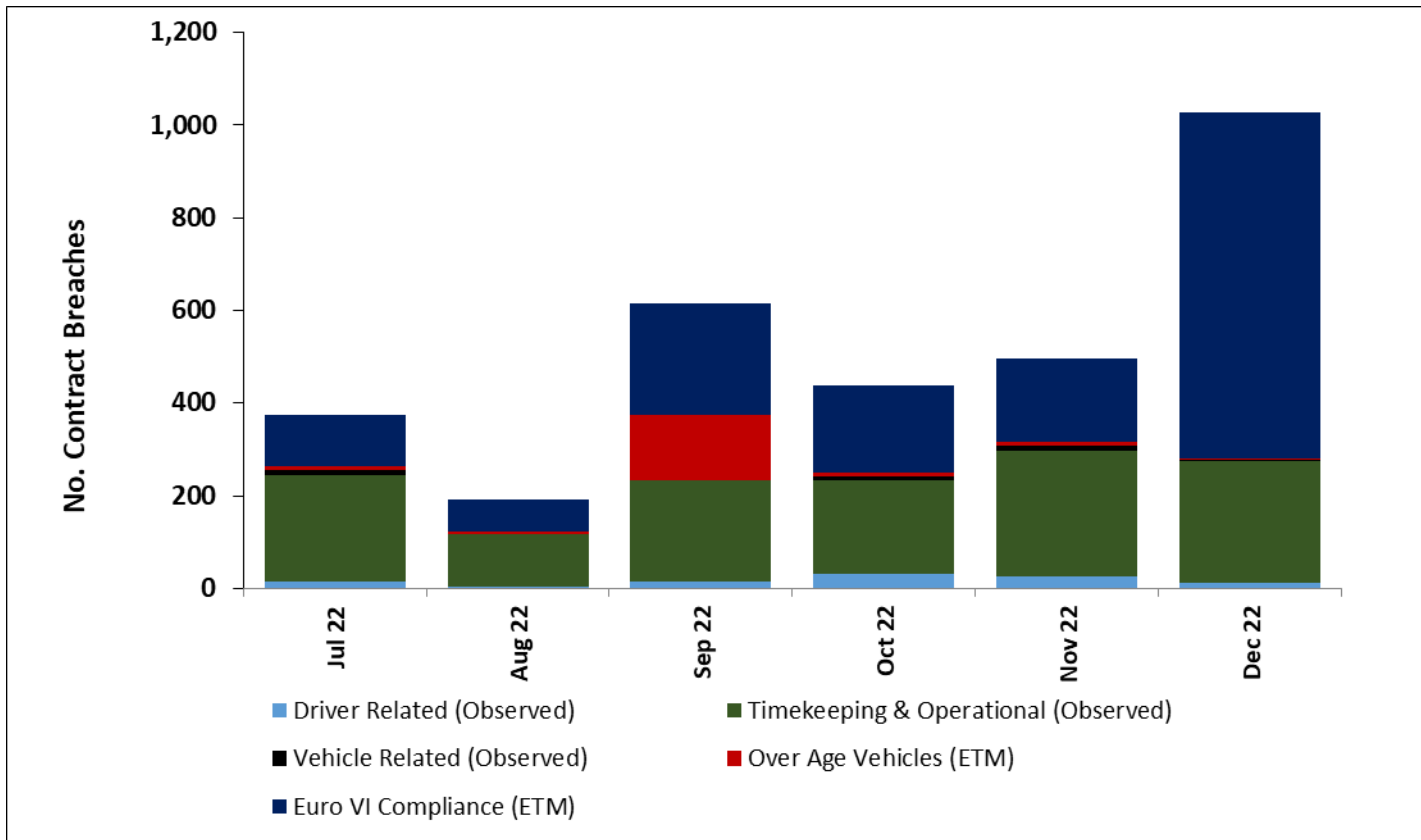
Figure 6: Customer complaints/comments (July 2022 – December 2022)



Contract Breaches

- 2.55 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 7 shows the monthly number of contract breaches by type and source for the period of July 2022 – December 2022.
- 2.56 49% of contract breaches between July 2022 and December 2022 were attributed to Euro VI non-compliant breaches (1,535), 41% were due to timekeeping and operational breaches (1,297), 6% were attributed to over age vehicles (174), 3% were driver related (103) and 1% were vehicle related (34).
- 2.57 Euro VI compliance monitoring was introduced for all new tendered contracts from in September 2021, as part of the Clean Air Programme.

Figure 7: Contract Breaches (July 2022 – December 2022)



Vehicle Profile

2.58 In December 2022, the average age of the vehicle fleet used on the subsidised network was 9.37 years. When compared by contract type, the average age of the vehicle fleet used on general services was 9.42 years and on the school network was 9.83 years. The average age of the vehicle fleet overall and on both the general and schools network remains below TfGM’s tendered age limit of 15 years.

Deductions from Operator Payments

2.59 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.

- 2.60 Contract deductions for the subsidised services totalled £189,691 for the period of July 2022 – December 2022. This is a 37% (£51,688) increase in the contract deductions made in the period between July 2021 – December 2021 (£138,003)
- 2.61 Contract deductions represented 1.04% of the total contract payments paid (£18,237,542) in the period of July 2022 – December 2022, compared with 0.98% of the total contract payments paid (£14,018,419) during the 6-month period between July 2021 – December 2021.

3 RECOMMENDATIONS

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

Stephen Rhodes

Director of Bus